

REPORT OF THE NINTH CONFERENCE OF THE PACIFIC COMMUNITY

Alofi, Niue

3–5 November 2015





Pacific
Community

Communauté
du Pacifique

**REPORT OF THE
NINTH CONFERENCE OF THE PACIFIC COMMUNITY**

(Alofi, Niue, 3–5 November 2015)

and

**FORTY-FIFTH MEETING OF THE
COMMITTEE OF REPRESENTATIVES OF GOVERNMENTS AND ADMINISTRATIONS
(CRGA 45)**

(Alofi, Niue, 30 October–2 November 2015)

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NINTH CONFERENCE OF THE PACIFIC COMMUNITY

Chairperson

Hon. Toke Talagi

Premier

Alofi, Niue

Vice-Chairperson

Ms Akka Rimon-Fukuyama

Secretary for Foreign Affairs

Tarawa, Kiribati

Alternate Chairperson

Hon. Billy Talagi

Deputy Premier

Alofi, Niue

CONFERENCE AGENDA

Opening and adoption of the agenda

Director-General's overview report

Letter from Chair of CRGA to Chair of Conference on recommendations of CRGA 45 to Conference, and decisions taken by CRGA 44 in 2014

Endorsement of Pacific Community Strategic Plan 2016–2020

Thematic discussion: Resilient Pacific people – turning the tide

Year 2017 Conference venue and election of Chairperson and Vice-Chairperson

Statements from observers

High-level dialogue on nurturing a resilient generation and future Pacific leaders

Adoption of Conference outcomes and key messages from the high-level dialogue

REPORT OF PROCEEDINGS

1. The Hon. Toke Talagi, Premier of Niue, welcomed delegates to Niue and to the Ninth Conference during the official opening ceremony at the Millennium Hall, Alofi, Niue. The outgoing Chair of the Conference, Hon. Ratu Inoke Kubuabola, Minister of Foreign Affairs and International Cooperation, Fiji, also addressed delegates, briefly reviewing organisational highlights during Fiji's two-year tenure as Chair (Annex 1). Dr Colin Tukuitonga, Pacific Community Director-General, expressed appreciation for the warmth of the welcome accorded to Pacific Community members and all meeting participants by the Government and people of Niue.

AGENDA ITEM 1 – OPENING AND ADOPTION OF THE AGENDA

2. The Chair declared the meeting open and called for a prayer.
3. The agenda was adopted (moved by Fiji and seconded by Guam).
4. The Chair called for volunteers for the drafting committee, which comprised: Australia, Fiji, France, New Caledonia, New Zealand (NZ), Niue, Republic of Marshall Islands (RMI) and United States of America (USA).

AGENDA ITEM 2 – DIRECTOR-GENERAL'S OVERVIEW REPORT

5. SPC Director-General (DG): The DG observed that the conference theme was 'Resilient Pacific people – turning the tide', and acknowledged Australia's Minister for International Development in the Pacific, who had joined the meeting. He said the UN Envoy on Youth would join the second day of the meeting for the 'High-Level Dialogue on nurturing a resilient generation and future Pacific leaders'.
6. The DG thanked the outgoing Chair, Hon. Ratu Inoke Kubuabola, Fiji, for the very effective support he had provided to the Pacific Community and the DG over the previous two years, particularly in relation to SPC being granted the status of Permanent Observer to the UN General Assembly.
7. In presenting his report, the DG said SPC was serving the region well and was in good heart, but could not passively rely on its existing business model. The new Pacific Strategic Plan 2016–2020 looked to the future and to putting in place the elements that SPC needed to best support its members. These included stronger engagement with members and partners, integrated approaches to addressing development priorities, a secure, predictable and sustainable financial position, and the ability to recruit, retain and reward the best scientists, policy specialists and managers.
8. The secretariat worked with a CRGA subcommittee to develop the new strategic plan, which takes forward the integrated programming approach presented in 2014 as part of the change agenda. Climate change and disaster risk management (CC-DRM), and non-communicable diseases and food security ((NCDs-FS) are the two flagship areas testing this integrated programming approach, which has had universal support. SPC recently recruited a senior member of staff to progress integrated programming within SPC and also country programming.

9. The strategic plan is SPC's navigation chart but the current funding structure (only 25% of the budget is core funding and 75% is tagged to particular projects) leaves the organisation with limited ability to move. The challenge is to resource the plan to make it work. Sustainable financing is a key item for SPC given its responsibility to contribute to members' and the region's close involvement in the outcome of the upcoming COP21 and implementation of the sustainable development goals (SDGs). The DG had addressed the United Nations General Assembly (UNGA) and had discussed SPC's plan, as the largest agency in the region, to assist members to deliver on the SDGs.
10. On the Framework for Pacific Regionalism (FPR), he said there were teething challenges, but SPC had a large role to play and he had had conversations with CROP (Council of Regional Organisations in the Pacific) colleagues on how they could take the framework forward efficiently. CRGA had discussed the issues faced by SPC in relation to the regional architecture. The DG acknowledged Dame Meg Taylor, Secretary-General of the Pacific Islands Forum Secretariat (PIFS), who was attending the meeting, and said that SPC and other CROP agencies had more work to do in this area. In Port Moresby, Forum Leaders had endorsed the review of regional governance and financing, and Leaders shared with Conference the outcomes of that meeting. SPC needed to set a direction that was right for the organisation into the future and also needed to be disciplined in agreeing on priorities and on the areas where it adds most value.
11. Noting that a CRGA subcommittee will work with SPC on implementing its new strategic plan, he said priority setting must be a shared responsibility between the secretariat and Pacific Community members. SPC also needed to maintain its presence in countries, and its awareness of country context. This meant ensuring the intelligent presence of SPC in countries around the region so that the organisation is better connected to members and has its 'ear to the ground'.
12. He said communicating what SPC does more effectively is important, observing that there is some fantastic work being done at SPC that members, development partners and the media are not aware of. A director of strategic communications was recruited at the end of 2014 and SPC's profile and visibility were lifting.
13. Despite CRGA 44 approving a balanced budget, SPC had a budget hole in 2015, mainly due to currency fluctuations. A range of measures was taken to balance the budget, but the situation put the organisation on a fragile financial footing that would continue into 2016 and 2017. It was a concern that USD 3 million was owed in membership contributions and the secretariat was working with affected members to remedy the situation.
14. The Chair invited comments on the report.
15. Delegates, on taking the floor, congratulated the Hon. Premier of Niue for assuming the chairmanship of the Conference, and thanked Niue for its generous hospitality. Delegates also expressed appreciation for the excellent leadership of the former Chair, Fiji.
16. Samoa: The delegate thanked the DG for his informative report, saying that to ensure the path to the future continually improves, it is important that SPC remains focused on its core priorities and aligned to the priorities of members. The issue of secured funding and core funding was one that CROP agencies needed to grapple with. Samoa supported the work to ensure that there is sustainable, long-term financing in place. Similarly, on the financial

position, the delegate noted that the SDGs and their 169 indicators, the FPR and the SAMOA Pathway commitments will require strong prioritisation by SPC to ensure its resources are directed to where it can make the greatest impact.

17. Niue: The delegate thanked the DG for his report and noted the achievements of the organisation under his leadership. SPC worked with the mandate provided and needed funding to deliver on the mandate. In this regard, Niue acknowledged the contributions of larger members, such as NZ and Australia.

18. Chair: The Chair observed that USA, France and the EU were other major supporters of SPC.

19. SPC: Responding to a point raised by Samoa, the DG said SPC's Dr Haberkorn, who has headed its Statistics Division for many years, is leading on reporting on the SDGs. One of the messages that the DG delivered to UNGA is that, at this point in time, small island developing states (SIDS) will struggle to find the resources, data and analytical capability to report to the UN family on implementation of the SDGs. SPC hoped that the statistical requirements could be reduced to a level that allowed meaningful analysis but did not overwhelm the capacity of small states.

20. Chair: The meeting adopted the DG's report and agreed to the recommendations.

AGENDA ITEM 3 – LETTER FROM THE CHAIR OF CRGA 45

21. The Conference accepted the letter from the Chairperson of CRGA to the Chairperson of the 9th Conference of the Pacific Community (Annex 2), which presented CRGA 45's recommendations to Conference, and the decisions taken by CRGA 44 in 2012.

22. Nauru: The delegate said he was honoured to chair CRGA and outlined the main discussions and decisions of what had been a fruitful meeting. He recommended the decisions of CRGA 45 to the 9th Conference for adoption.

23. SPC: In relation to CRGA's recommendations, the DG said he would be happy to respond to any issues. He noted that as part of the governance review in 2014, members had agreed to move CRGA from November to the middle of the year. There would be a transitional period in moving CRGA to the new timing. In 2016, it would be held in late June.

24. Fiji: The delegate said Fiji had no specific objections to any of the decisions. CRGA and Conference must empower the DG and management team to deal with a variety of situations.

25. French Polynesia: The delegate said French Polynesia took note of the report of CRGA with great interest and had a number of comments with respect to the change agenda. The reforms are ongoing at SPC and the CRGA report stated how important it is that the programming and cross-cutting approach be supported. French Polynesia wanted reassurance that this programming approach would continue because the Independent External Review (IER) team had been strongly in favour of it. French Polynesia also wanted to be reassured that the loss of the position of Deputy Director-General (DDG) Programmes would not compromise the programming approach and mainstreaming of areas

within SPC such as gender and youth. He noted that the recruitment process for a new Deputy Director-General (Suva) had begun, and requested clarification of the role of SPC Suva, and whether divisional directors would report directly to the DG. In relation to the budget, he referred to the salary increase requested and said that some member countries are experiencing difficult financial times; e.g. salaries in the French Polynesian civil service have been frozen since 2008, so French Polynesia could only encourage SPC to be aware of this.

26. SPC: The DG said SPC has had two years of experience in the programming approach. The position of DDG Programmes was a costly one and after two years, it was the secretariat's judgment that, for several reasons, the role did not deliver commensurate value. He had therefore made a decision to discontinue the third DDG position and to restructure. Notwithstanding the decision, the secretariat was committed to the programming approach. The divisional directors had a critical role to play in designing programmes and working together, e.g. in addressing NCDs, which are not just a health problem, but one that cuts across almost all sectors. The secretariat had also established a new senior role to coordinate the programming approach and to support divisional directors. The DG was confident that the restructure would enable the objectives of the programming approach to be achieved more efficiently and at less cost. In relation to SPC Suva operations, consultation indicated that there was a need to ensure greater physical proximity of management support to Suva staff, particularly in divisions. As a result, all divisional staff in Suva would now report to the Suva DDG; and similarly for divisional staff in Noumea reporting to the HQ based DDG.

27. Referring to the budget issue raised by French Polynesia, the DG said the budget and potential salary increases had been discussed at length by CRGA. SPC was seeking to apply a market increase of 2% in 2016 simply to account for the rise in inflation/cost of living. The objective was to ensure that SPC's staff did not earn less in 2016 than in 2015 and was consistent with what was recommended by the consulting firm that deals with the salaries of all CROP agencies. SPC also proposed a change in the mid-point of all salary grades. This was not a salary increase, but rather a way of making the salary scale more attractive and of putting SPC in a better position to compete with other international agencies in recruiting staff. This change would have no impact on the 2016 budget. Given the current payroll and staff situation at SPC, the secretariat believed that the change in the salary scale would have a minor impact on the budget position.

28. Chair: The Chair suggested that the traditional method of paying on a percentage basis was not working because efficient and non-efficient workers were paid the same. Transformation meant looking at bonus payments to ensure the best people were rewarded.

29. New Caledonia: The delegate noted that the issue of communication was important and was pleased to see that a director of communications had been appointed at SPC. The delegate congratulated SPC on being offered Permanent Observer status at UNGA, which was a major stride. The delegate believed that the secretariat had engaged in wide consultation to ensure it understood members' needs better and agreed that the IER recommendations were still relevant for SPC.

30. Chair: The meeting adopted the recommendations of CRGA 45.

AGENDA ITEM 4 – ENDORSEMENT OF THE PACIFIC COMMUNITY STRATEGIC PLAN 2016–2020

31. The Chair introduced the new strategic plan, noting that Paper 3 gave a brief outline of the plan and the process of its development.

32. SPC: The DG said CRGA had spent considerable time discussing the strategic plan and a CRGA subcommittee had taken an active part in its development. He outlined the vision, mission, priorities, services, and potential areas of excellence, noting that multi-sectoral responses to members' priorities were possible given that SPC operated in approximately 27 sectors.

COMMENTS

33. USA: The delegate said USA had been pleased to sit on the subcommittee. USA acknowledged that the issue of resources underlay the achieving of the plan's goals, and that the issue of prioritisation was important. USA looked forward to reviewing the results framework before the next CRGA, and wished to volunteer for the Strategic Plan subcommittee, which would also help promote the excellent work of SPC in Washington.

34. Niue: Niue endorsed the plan and commended the subcommittee and secretariat staff who had worked on it, saying all members were responsible for achieving its objectives.

35. Samoa: Samoa fully endorsed the Strategic Plan.

36. Cook Islands: Cook Islands endorsed the new plan, noting its active membership of the subcommittee that developed it.

37. Kiribati: Kiribati congratulated the DG and the team at SPC and commended the multi-sectoral approach in the plan, saying that Kiribati had benefited immensely from that approach. Climate change was one of the leading challenges in the region and members all wished to build their resilience across sectors. Kiribati commended the Strategic Plan and wanted to see it reach its maximum benefit and return to members. On resources and sustainable financing, Kiribati said it was important that, with the support of development partners, SPC was able to implement programmes under the Strategic Plan. On CROP coordination, Kiribati appreciated that other agencies are also delivering services, and wanted to see CROP coordination strengthened. At the national level, Kiribati would like to ensure that country ownership of work programmes continues. Kiribati acknowledged the important role of the Strategic Plan subcommittee and volunteered to be a member.

38. Australia: The delegate, in his new capacity as Australia's Minister for International Development and the Pacific, congratulated SPC on the production of a strong Strategic Plan. Australia supported the plan and acknowledged the important role of SPC in regional development. In a tight fiscal environment, Australia saw the plan as an important way to prioritise. The Minister commended the plan for its focus on monitoring, evaluation and learning (MEL), and said Australia looked forward to helping develop the results framework.

39. New Zealand: NZ recognised the work undertaken to address the key issues in the plan, and was pleased to contribute. Effectively implementing the plan was what mattered, and NZ urged all members to support the DG in prioritising actions under the plan. NZ commended the Strategic Plan. The delegate added that as someone who lived in Niue, he was acutely aware of the work that had gone into organising the conference and thanked all those involved.

40. Solomon Islands: The delegate acknowledged the efforts put into the work of SPC by the former Chair, and his assistance in working with other officials to achieve Permanent Observer status for SPC at UNGA. Solomon Islands supported the Strategic Plan, acknowledging the comments made by the DG in presenting his report, which set the scene for the introduction of the plan. Solomon Islands recognised the resource difficulties but believed the integrated, multi-disciplinary approach will 'shoot many birds with one stone'. The delegate noted the DG had indicated efforts would be made to engage with the membership so that members would take ownership of the Strategic Plan and the work that SPC does – Solomon Islands appreciated this very much.

41. American Samoa: The delegate conveyed the greetings of the Governor of American Samoa to all. He acknowledged the hard work involved in putting together the Strategic Plan. American Samoa accepted the adoption of the recommendations.

42. Republic of the Marshall Islands (RMI): RMI was privileged to chair the subcommittee that developed the Strategic Plan for consideration of CRGA and Conference. The delegate thanked the subcommittee for its work. The delegate also thanked the secretariat which, under the leadership of the DG and DDG, and their technical team, had ably provided the necessary support to ensure that the subcommittee met the objectives it was tasked with.

43. Tonga: The delegate said it was refreshing to have a concise, high-level plan and he acknowledged the work that gone into its development. Tonga fully supported the multi-sectoral approach, which should enable the Pacific Community to make flexible interventions.

44. New Caledonia: The delegate thanked the members of the Strategic Plan subcommittee, the SPC teams who worked on the Strategic Plan, and the secretariat for its consultations with SPC members. The outcomes were precise and concise. During CRGA, the divisional directors had made brief presentations about how they would implement the programming approach. Greater coherence with CROP agencies should be enabled, and New Caledonia hoped that development partners' priorities could be brought more closely into alignment with members' and SPC's priorities. Results on the ground were most important to SPC's members. The only way to measure the effectiveness and efficiency of SPC was through ongoing structured dialogue with members to enable the setting of structured priorities. New Caledonia supported the adoption of the Strategic Plan.

45. SPC (DG): The DG thanked all delegates for their supportive and encouraging comments on the plan, saying the secretariat was reassured to receive support for its direction and content. The DG also appreciated the support expressed for the new Strategic Plan implementation subcommittee. The secretariat had noted members who volunteered to take part. He acknowledged comments about the next step being the harder part where the 'paddle hits the water'. The DG thanked the Chair of the Strategic Plan subcommittee for his firm but open leadership during the development of the plan.

46. Chair: The meeting adopted the Pacific Community Strategic Plan 2016–2020.

AGENDA ITEM 5 – THEMATIC DISCUSSION: RESILIENT PACIFIC PEOPLE – TURNING THE TIDE

47. The Conference held a rich discussion on the theme of ‘Resilient Pacific People –Turning the Tide’, with members providing examples of initiatives that showed ingenuity, innovation, determination and resilience (Annex 3). These included projects to reduce reliance on imports, increase renewable energy, improve technological capacity, improve education and training, and protect natural resources. To ‘turn the tide’, the Pacific requires strong and inclusive leadership and commitment at all levels, leveraging the various agreements made by Pacific leaders and the international commitments they have endorsed, and engaging with stakeholders, partners and donors in constructive and effective partnerships.

48. Niue: Niue introduced the paper, noting that the theme was chosen after a national competition. It was a theme that enabled the Pacific Community to celebrate and capitalise on the strengths of the region, and to ‘turn the tide’ on Pacific challenges and vulnerabilities. It was members’ responses to challenges that should define the Pacific, rather than the challenges themselves. The region was full of innovation and an extraordinary level of resilience, which was found in all aspects of Pacific culture and environments. SPC could lead by example and institutionalise the sharing of best practices.

49. SPC: The DG agreed that the people of the Pacific are resilient, but events in recent years related to climate change were more extreme and much more challenging, potentially causing serious threats to lives and livelihoods. It was important to learn from the ancestors and integrate traditional thinking with scientific lessons from today. He challenged the Conference to consider a change in tactics, and to see Pacific people not as victims, but as people who take the future into their own hands and use their talents to ‘turn the tide’. The DG invited members to share their ideas and experiences.

50. Niue: Niue described projects the country has undertaken to ‘turn the tide’. Since 1987 each man over 18 has been required to have a taro plantation with at least 1000 taros. This ensures each family has enough food crops based on organic and traditional ways of farming. Two hydroponic facilities have provided fresh vegetables since 2013, which has reduced the importation of fresh vegetables. Some members might want to emulate the project, particularly those with poor soils. Niue has had a revival of traditional canoe making and canoe fishing, with teenagers encouraged to take part. This is promoted through social media. Positive spin-offs include no fuel costs, improved health, higher incomes, healthy food options and maintenance of traditional knowledge. Niue’s integrated strategic action plan has allowed Niue to develop a more programmatic approach to planning and to maximise returns on resources. NZ has recently approved a grant of NZD 1 million for the ‘Oceanwide’ project, with a view to establishing a large marine protected area. Niue has also invested in expanding technological capacity to reduce the tyranny of distance: broadband has been introduced, as well as electronic banking. Niue plans to increase its network to 4G capacity.

51. Fiji: Fiji strongly supported the paper and its recommendations, in light of the Global Agenda 2030 and the need for the Pacific Community to adopt a transformative paradigm shifts in the region’s collective development. Fiji noted that SPC is making important shifts, focusing on results, increasing monitoring, learning and evaluation, and emphasising integrated programming in CC-DRM and NCDs/FS. These areas are tailor-made for the felt and expressed needs of the Pacific Community, and are being woven into individual country programming from 2016. Fiji agreed that integrated programming is one of the most logical approaches to building Pacific resilience and to securing sustainable financing from genuine and durable partners.

52. France: The delegate noted that the theme covers all of the development challenges of Pacific Island countries and territories. France welcomed the Pacific Community Strategic Plan and had committed to the Strategic Plan subcommittee, thanks to the French Pacific Fund. France noted that, in November 2014, the French president took part in a high-level dialogue at SPC’s headquarters and France would shortly host COP21, which would be a major

milestone. The intention was to reach an international agreement, which will be legally binding on all countries, to keep global warming to less than 2 degrees, to control climate change, and to adapt societies to current climate change and promote low-carbon economies. France noted that the vast majority of members have submitted their Climate Action Plans, which is a clear sign of how seriously countries take the issue. France, with its overseas territories, is directly involved in these challenges, and is holding the Oceania Summit at the Élysée Palace in November. France acknowledged the DG's speech at the United Nations, and encouraged the secretariat to continue to coordinate the actions of SPC's members.

53. Cook Islands: Cook Islands supported the recommendations of the paper, noting that its people are spread across small islands, which are scattered far and wide. The government is constantly challenged to deliver new educational services to its isolated communities. Cook Islands has established an online school, *Te Kura Uira*, which provides services for students in four outer islands. These programmes mean that, when students transfer to senior secondary school on the main island, their basic literacy and numeracy skills are advanced enough to successfully access learning in other subject areas. High internet costs are a challenge, but the benefits far outweigh the costs. The first focus area of the Cook Islands' Education Master Plan is *Taku Ipukarea Kia Rangitira* in which students learn about who they are and where they have come from and explore their aspirations for the future. Cook Islands believes that its strength is in its identity, and if children know who they are and where they have come from, they will have the skills to face the challenges of the 21st century. In building resilient people, there is a need to acknowledge the resilience of the ancestors.

54. New Zealand: New Zealand agreed with the underlying principles in the paper and that investments must support Pacific values and needs. New Zealand suggested an addition to paragraph 4, to emphasise that Pacific people also had 'skills and experience'. If a future regional hub of excellence is to be established, then it will be important to ensure there is no overlap of roles, and that SPC is best mandated to do this.

55. Kiribati: Kiribati supported Niue's choice of theme as it resonated with everyone in the room. In preparing for COP21, it was important to take stock. Small island states have always been labelled the most vulnerable, but it is time to 'turn the tide', and realise that they are big ocean states. SPC has a number of mandates to help realise those goals. Kiribati noted that it is important to improve the quality of education and training. Training will ensure that most youth have the opportunity to develop their talents. Migration with dignity is another focus for Kiribati. It wants to support its population and give people labour mobility options to migrate if needed.

56. Samoa: Samoa strongly supported the purpose of the paper. It noted that if SPC sets up a hub to foster the sharing of information, it should do so within the confines of its mandate and cooperate with other CROP agencies to avoid duplication. All CROP agencies are of equal importance and should focus on areas of their own respective comparative advantages, keeping in mind why they were set up.

57. Marshall Islands (RMI): As a small, low-lying island nation, RMI was forced early on to look at the impact of climate change through a multi-dimensional lens, including health, social services and human security. The Minister for Foreign Affairs has been a vocal climate change campaigner. RMI supported the statements from Fiji and others around the table and noted that countries had been given a clear mandate from Leaders on the key elements of a climate deal at COP21: 1.5 degrees, finance and elements of loss and damage, and a five year review. RMI was one of the first countries to submit its Intended Nationally Determined Contributions (INDCs) and is continuing to push for other sectoral cuts, including in international shipping and aviation. It is a key negotiation point for RMI, as host to the third-largest shipping registry in the world. RMI acknowledged support from other partner regions and countries, and was grateful that the USA was taking an enhanced leadership position on training for reducing emissions.

58. Solomon Islands: In New York, Solomon Islands had attended a side meeting, hosted by Tuvalu and United Arab Emirates, on the theme 'Small boats making big waves'. The focus was on small states venturing into 'game-changing' programmes and projects, and changing the paradigm on how to deal with the issues. Climate change touches development, economic, human and social issues, so it is of high importance on the government's agenda. Solomon Islands noted that it is important to empower people, particularly the vulnerable and described a programme to help women run their businesses. Solomon Islands has also engaged with the Australian Department of Foreign Affairs and Trade (DFAT), under which commercial banks are delivering banking packages and reaching out with mobile banking to the rural population. Solomon Islands also noted the recent announcement from the

Australian Minister for Foreign Affairs on the funding available for women and girls in the Pacific. Solomon Islands supported the paper and liked the principle of documenting relevant approaches.

59. New Caledonia: New Caledonia said resilience and innovation are intertwined and cross-cutting issues. A strategy to foster innovation is important, especially social innovation. New Caledonia thanked the European Union for financing an innovation strategy. A workshop in Noumea will discuss innovation in renewable energy, biotechnology, agriculture and social innovation. There is also a network of all Pacific universities to encourage creative thinking. It is important for universities and academics to work closely together. New Caledonia was somewhat reluctant to establish a new body for best practices. It has several projects focused on building resilience. One of the keys to success is to start small. Thirty years ago, New Caledonia started establishing small protected areas, which were then networked. Now its Marine Protected Area is a world heritage protected area. Some activities, such as tourism and disaster risk management, can seem isolated or sovereign issues, but the Pacific needed to build common strategies. New Caledonia noted that, since the ICT programme had moved from SPC to USP, it was unable to attend discussions as it was not a member. As to reducing imports, New Caledonia noted that it is promoting the development of sustainable organic agriculture, and is looking to leverage exports and focus on quality rather than quantity. Given the focus on youth, New Caledonia said it is important to believe in the creativity of youth and to encourage entrepreneurship in young people. New Caledonia is hosting a pre-youth conference that will generate ideas that will be presented at COP21. New Caledonia also highlighted the Oceania Summit, which was being organised by France at New Caledonia's request. It is a unique opportunity. There will also be a meeting at the Institute of Research for Development (IRD) in November at la Maison de la Nouvelle Calédonie, which will be dedicated to the theme 'Mobilising knowledge to overcome climate change challenges in Oceania'. New Caledonia hoped that members would be able to join both of these meetings.

60. USA: USA endorsed the recommendations in the paper and committed to work with other members to increase resilience and adaptation to climate change, and to promote sustainable and inclusive development. USA announced that it will do this through a new climate change adaptation programme with SPC, 'Institutional strengthening in Pacific Island countries to adapt to climate change' (ISACC). USAID will partner with SPC, as the lead agency on the initiative, as well as PIFS and SPREP. The goal of the regional ISACC project is to strengthen the national institutional capacity of Pacific Island countries to effectively plan, coordinate and respond to the adverse impacts of climate change. It will be a five-year programme, involving up to 12 Pacific Island governments, and will strengthen national adaptation planning processes, including the ability to access and manage climate finance and to build multi-sector approaches to climate change and disaster risk reduction. Participating countries will benefit from capacity building and training programmes, and will carry out selected national climate change finance assessments. The project will build on other adaptation funding, including from the Green Climate Fund (GCF). USA supported SPC's efforts on renewable energy, and applauded efforts of members moving towards an energy portfolio that is completely renewable. USA noted the importance of sharing best practices and innovations, and highlighted SPC's and the International Renewable Energy Agency's workshop in Hawaii in July, which focused on strategies for increasing renewable energy use among Pacific Island countries. USA supported the secretariat's efforts to promote, share and document best practices.

61. French Polynesia: French Polynesia noted the Taputapuātea Declaration, which was adopted last year by the Polynesian Leaders Group. The declaration highlights the importance of remaining faithful to the Polynesian identity. History has shown that people can adapt, build resilience and continue to exist. Small island states are also large Pacific Ocean states and territories. The importance of the ocean cannot be underestimated; it is a climate sink, and given the framework of COP21, the ocean must not be forgotten. French Polynesia highlighted a seawater air-conditioning plant in Bora Bora, and suggested that this technology could be developed at a regional scale. French Polynesia is looking to increase its renewable energy use to 50 per cent by 2020, and is exploring options to make use of tidal energy.

62. American Samoa: American Samoa is one of the most vulnerable countries in the Pacific region. Rising seawater is threatening the main highway, and warming waters directly threaten the integrity of the reef system and impact on subsistence living. The Department of Marine and Wildlife Resources has developed an adaptation framework with seven priorities, including reducing emissions. American Samoa is grateful for support from the USA

for exploring geothermal energy to replace reliance on fossil fuels, and is exploring solar and wind power projects. American Samoa is poised to work collectively with SPC on these projects.

63. Tonga: Tonga has adopted a programmatic approach to building its resilience. One focus of the sector is on renewable energy, and Tonga has a road map to achieve 50 per cent renewable energy. Renewable energy is not cheap, but it is necessary. Tonga thanked New Zealand for its help in upgrading the power grid and assisting with a windmill in Tonga. Tonga is working with SPC on three solar farms, and is hoping to visit Samoa to learn from its experiences. Tonga noted that ICT is a cross-cutting issue – it helps deliver more efficient services, but is also a key tool for development. It is important not to isolate the most vulnerable; for example, even if 90 per cent of households have mobile phones, the 10 per cent that do not have them may be the most vulnerable. Tonga has worked on extending fibre optic cable to two of its outer islands. Tonga noted that NZ and Australia were in the top 10 of e-governments in the world, and looked forward to further discussions about how to effectively use ICT within the given resources. ICT infrastructure is critical for several innovations, including multi-hazard early warning systems. Given the importance of ICT, Tonga noted that it considered that USP should be on the Conference agenda. Tonga commended the governance approach to the Pacific Regional Environment Programme (PREP) project, which had a regional project management unit in SPC and a national one in-country. Tonga suggested that it may be timely to consider a CROP subcommittee to look at resilience from a programmatic approach, to reduce duplication.

64. Tuvalu: Tuvalu commended the Niue delegation for a very important paper, and thanked all those who had shared their views and expertise. The vision of Tuvalu's energy policy was to achieve 100 per cent renewable energy by 2020. Most islands have already been solarised. There is a competition in Tuvalu for who can grow the biggest taro, pig, and so on. The competition includes everyone on the islands and encourages people to learn to grow agricultural produce. It also provides an abundance of root crops and food. Tuvalu has increased the number of scholarships allowing students to study overseas, under the 'Sky is the limit' policy. Tuvalu has had a building code for a long time, though it has been difficult to implement. All homes need to have a water cistern below the house, which protects people in drought. The building code is very important in this regard. Australia and EU have helped Tuvalu with the project.

65. PNG: PNG thanked Niue for an exciting and informative paper, and thanked SPC for having made inroads into PNG during this and previous years. There were a number of aspects to PNG's plan around resilience in assistance to people. Mining companies have engaged in community programmes, assisting mothers in baking, cooking and garden produce, which helps them sustain their livelihoods and families. The government has also promoted the fisheries sector by empowering companies to employ women in processing plants around PNG, given that women are central to holding the family together. PNG is supporting shipping at the subregional level, which assists in transporting excess food and produce. On food security, the government is supporting small-scale private food production in Port Moresby. PNG has a large land mass and a large population and there are many competing priorities. PNG is pleased with the work of SPC, and looks forward to continuing to work with it.

66. Guam: Guam endorsed the thematic paper on development in the Pacific. Guam shares the same sustainable development goals and vision and is committed to addressing climate change. The Governor of Guam has signed an executive order to assess the effects of climate change and address Guam's risks. Guam is pleased that the US State Department is making this a priority. As Guam proceeds with its own plans for self-determination, it looks forward to hearing the experiences of other members.

67. Vanuatu: The delegate conveyed the President's greetings, and thanked the Government of Niue for the highly relevant paper. Vanuatu supported increasing the complementarities of this paper and the Strategic Plan, as Vanuatu is also in the process of developing its own Strategic Plan. Vanuatu commended the secretariat on the very

consultative process through which the plan had been developed, and looked forward to working with the secretariat in its implementation. Vanuatu fully endorsed the recommendations in the paper.

68. Chair: The Chair indicated that the meeting had not said very much about the private sector and its role in growing the region's economies. The private sector's thinking on many of these things is: 'I need to do it to make some money'. Member governments should look at copying some private sector concepts to enable countries to be more resilient in the manner in which they develop their economies.

69. SPC: The DG said that there was clearly a consensus on the paper. He wished to clarify that the 'Centre of excellence and knowledge hub' that the secretariat referred to did not imply a new building or place, but rather an area or network where information can be shared.

70. Chair: The Chair said the meeting endorsed the recommendations.

AGENDA ITEM 6 – YEAR 2017 CONFERENCE VENUE AND ELECTION OF CHAIRPERSON AND VICE-CHAIRPERSON

71. Chair (Alternate): The Chair extended apologies to the meeting on behalf of the Chair, Hon. Premier Talagi, who had to take leave of the meeting.

72. SPC: The 7th Conference of the Pacific Community had agreed that all future meetings of the Conference of the Pacific Community would be convened at SPC's headquarters in Noumea, New Caledonia, as a cost-saving measure. However member countries wishing to host the meetings of the Conference and the associated pre-conference meeting of CRGA could do so on the basis that they met the full additional cost of convening the meetings outside of SPC headquarters. Paragraph 5 of the paper listed host countries, Chairs and Vice-Chairs up to this year. The secretariat had received an expression of interest from the Government of Vanuatu to host the 10th Conference. It had acknowledged this kind offer and had requested that the governments of New Caledonia and Vanuatu discuss a venue. The secretariat would advise members in due course.

73. Tokelau: Tokelau supported the recommendations as provided.

74. Chair (Alternate): The meeting agreed on the recommendations in the paper.

OBSERVER STATEMENTS

75. The following observers delivered statements to the meeting:

Pacific Islands Forum Secretariat (Dame Meg Taylor); European Union (Ambassador Andrew Jacobs); GIZ (Deutsche Gesellschaft für Internationale Zusammenarbeit) (Dr Wulf Killmann); Secretariat of the Pacific Regional Environment Programme (Ms Tagalao Cooper Halo).

76. Chair (Alternate): The Chair thanked the observers for their statements.

(Statements that were handed to the secretariat are in Annex 6.)

AGENDA ITEM 7 – HIGH-LEVEL DIALOGUE ON NURTURING A RESILIENT GENERATION AND FUTURE PACIFIC LEADERS

77. SPC: The DG said that there are over 5 million young people aged under 25 in the Pacific. How can we in the Pacific Community support responsive youth development in the region? The number of job seekers far outweighs the number of opportunities. We need to think beyond the traditional sector employment opportunities and think about what we might do together. And we need to take into account that large numbers of our populations live subsistence lifestyles. Climate change and non-communicable diseases are also a great challenge.

78. The DG further indicated that these issues are not new. There has been very little change in the status of young people in the last 10 years. Failing to invest sufficiently in young people will exacerbate inequalities. It is also about investing in the right way. Young people can only make their communities more productive, creative and healthier, and should have opportunities to fully express their voices and engage in meaningful work. The session is about how we take meaningful steps to take this forward.

79. The Chair, on behalf of the Conference, welcomed the UN Secretary General's Envoy for Youth, Mr Ahmad Alhendawi, who had been invited to give the keynote address. Mr Alhendawi has been instrumental in promoting the voice of youth across various global platforms since 2013 when he was appointed to advocate for the needs and rights of young people, as well as to bring the work of the United Nations with and for youth closer to them. A youth representative, Ms Inangaro Vakaafi, who is the Vice Chair of the Pacific Youth Council Executive Board, would present a perspective on behalf of Pacific youth. Ms Vakaafi is Niuean and Cook Islander by descent, and is the former Chair of the Niuean Youth Council and 350 Niue Coordinator, and is currently working as a journalist for the Broadcasting Corporation of Niue. The session would also hear national perspectives from three countries, Samoa, Australia and Solomon Islands, and SPC would present a regional policy framework, which was aimed at achieving transformative improvement in the situation of youth.

80. Mr Ahmad Alhendawi, UN Secretary General's Envoy for Youth, keynote address: 'Overview of the global situation for youth; and global policy on engaging youth in sustainable development – overcoming barriers to implementation'

81. Mr Alhendawi highlighted that, with more than half of its population under the age of 25, the Pacific region has a great opportunity to build a better present and future, and to realise the vision in the Pacific Youth Development Framework (PYDF) of 'a sustainable Pacific, where all young people are safe, respected, empowered and resilient'. The United Nations is committed to putting young people at the centre of development as it realises that achieving the SDGs requires the full participation of young people, who are half of the world's population.

82. Ms Inangaro Vakaafi, Vice Chair of the Pacific Youth Council Executive Board, Collective Niuean youth response to the UN Envoy's keynote address: 'Nurturing a resilient generation and future Pacific leaders'

83. Ms Vakaafi thanked the meeting for the opportunity given to youth to respond to the UN Envoy's keynote address. She said that, despite the significant size of the region's youth population, there was a lack of targeted investment in what is required to meet the needs of all young people in the Pacific. Ms Vakaafi encouraged a positive focus on the resourcefulness of young people, and said young people themselves hold the solutions to many of the pressing issues facing Pacific societies. She listed climate change, agriculture and food security, youth employment, sexual and reproductive health and rights, and youth engagement, as some of the regional youth issues that have featured in Pacific youth forums. She called on leaders to urgently address the issues facing youth, through an integrated approach involving different sectors, alliances and government ministries.

84. The addresses are annexed to this report.

85. National and regional-level perspectives from ministers highlighting specific work on youth:
86. Hon. Tolofuaivalelei Falemoe Leiataua, Minister for Youth, Samoa: ‘Youth enterprise and private sector engagement’
87. The Hon. Minister was delighted to be part of the high-level dialogue and to bring Samoa’s experience in supporting public-private partnership. Supporting youth enterprise has always been a priority for the government and is a priority under Samoa’s youth policy. The national youth policy defines youth as those aged between 18 and 35. In the 2011 census, more than one-quarter of Samoa’s population were in this age group. Since 2001, the Samoa Youth Awards Programme has created a platform to showcase and acknowledge young people’s talents. It has also become a great source of inspiration for Samoa’s youth. In 2013, the ministry signed an MOU with Digicel Samoa Limited to support variations in the programme and to support the programme financially. This programme continues to successfully promote youth entrepreneurship in Samoa.
88. Hon. Steve Ciobo, Minister for International Development and the Pacific, Australia
89. The Hon. Minister acknowledged the comments of the other speakers and said we need to be not only resilient, but also collaborative and cooperative, to meet our common challenges in the Pacific. The Pacific faces economic constraints, challenging demographic trends, and vulnerability to natural disasters. Australia contributes to building resilience in a number of ways. Support for disaster risk reduction helps to build resilience in the natural sphere. By supporting young people and women through education, technical training and sport, Australia is contributing to building the next generation of resilient people.
90. Mr Joseph Ma’ahanua, Permanent Secretary of Foreign Affairs, Ministry of Foreign Affairs, Solomon Islands, ‘Cross-sectoral collaboration for youth’
91. The Permanent Secretary’s address highlighted the contribution that the project, ‘Collaborating for youth through Youth@Work’, is making to youth empowerment in Solomon Islands. Two-thirds of Solomon Islands’ population is below the age of 30 – a huge proportion. This youth population needs to be properly empowered and mentored to meet society’s expectations. The joint initiative between the Solomon Islands government and SPC and other partners has established the Youth@Work programme, which seeks to integrate youth into meaningful work. Youth@Work actively tackles youth unemployment, and is funded by the Australian Aid bilateral programme, with assistance from its partner ministries. More than 5000 young people have undergone training in the Youth@Work programme, and over 2000 of them have secured permanent jobs in the public and private sectors.
92. SPC: The DG said that two months ago the Pacific Youth Development Framework was approved and presented to ministers in Samoa.
93. Ms Leituala Kuiniselani Toelupe Tago–Elisara, Deputy Director of SPC’s Social Development Division, Regional Perspective – Growing a resilient Pacific Community through youth-focused development.
94. The Deputy Director said that during the period of the Pacific Youth Strategy 2005–2010, the situation of youth in the Pacific did not progress, and it was clear that a subsequent framework would need to have a greater focus on improving governance for youth, improving data collection and analysis, and mobilising resources. The Pacific Youth Development Framework (PYDF) is now the regional policy framework for youth development. It responds to

calls from youth, member countries and territories, and development partners, for greater support for implementing youth policies at the national level and addressing barriers to progress. Regional coordination of the PYDF is shared between SPC and the Pacific Youth Council, which ensures informed decision-making with youth, and allows the voices of youth to influence decisions affecting them and to contribute to development in the region.

95. SPC: The DG asked the meeting to consider the questions: How can we make resources available for youth issues? What are the opportunities?

96. NZ: The delegate said that all SPC members, collectively, have a responsibility for all of the youth in the Pacific, and a combined strategy was needed to help youth across the Pacific. NZ supports efforts that have been made previously, and new efforts to give visibility and the priority that should be accorded to youth in the region. There is a strong lens on youth by all parts of the government. NZ noted the statistics presented, showing that many youth are not engaged in productive activity, which contributes to some of the other distressing statistics. The delegate stressed the importance of education as part of the solution, saying we talk about youth as the future of our countries, but are we doing enough to enable youth to acquire competencies and capabilities to prepare for the future? NZ will continue to support outcomes that relate to education, vocational training and scholarships, and also initiatives around health.

97. USA: The delegate said that the messages presented were inspiring. The meeting had heard about the multi-sectoral approach. Entrepreneurship assists youth to participate in society, and this has spinoffs in relation to good health and other areas. USA welcomes the focus that the Pacific Community has invested in and is supportive of these kinds of initiatives as well. USA awards four to five Pacific scholarships annually, and around 100 young people in the South Pacific benefit from the study programme. The aim of this conference is to engage Pacific youth on issues such as good governance and the effects of climate change. A recent New Zealand conference on entrepreneurship was supported by USA and USA is interested in how this initiative could link up with the Pacific Youth Council. Referring to the proposal tabled to have an annual forum on this issue, the delegate indicated that USA would support the holding of an initial forum, subject to current resources, but voiced caution on annual conferences in terms of expense. USA would support other possibilities that are less resource intensive, e.g. engaging youth in ongoing youth meetings, and engaging youth in future CRGA meetings. USA supports the priority given to developing a better statistical database, and ensuring that youth indicators are developed and collected as part of the sustainable development agenda. Women and youth, and other vulnerable groups, should remain at the centre of development efforts and policies.

98. SPC: The DG noted that the focus of dialogue was on creating a shared understanding of how to take the next step to make change happen.

99. RMI: The delegate said the presentations were moving and noted that inclusiveness is important. Youth have a right to lend their views on all political issues in the region, but changing minds, and enhancing young peoples' lives, is easier said than done. RMI noted that there are enhanced tools, including social media and other platforms, to engage with youth, but there is a question about how to benefit from those opportunities and not to weaken cultural norms and ways of living. RMI commented that 22 per cent youth unemployment is a staggering statistic that will continue to grow if it is not addressed at the implementation level. Regarding COP 21, RMI will send a 44-person delegation to Paris. Almost all of them will be young people, who will tell their stories. In RMI there is a challenge with an aging population, and traditional knowledge is being lost. There is a role for SPC to play in ensuring that knowledge is documented and is worked into policies and displayed at the core of Pacific life.

100. New Caledonia: New Caledonia welcomed the remarks and presentations, and noted that the comments from the youth of Niue were very rich and full of useful advice. New Caledonia noted that the Solomon Islands Youth@Work programme was very promising, as it involved a large number of youth. New Caledonia noted that, to make good public policy for youth, it was important to have accurate data, as situations vary a great deal between cities, towns and rural areas. New Caledonia noted that there had been great debate about schooling in New Caledonia, and as a result, technical and rural trade and occupations are now more emphasised, whereas before they

had not always been held in high esteem. New Caledonia noted a recent report that quantified the non-monetary value of agriculture, and the report found that this sector was much more significant than had previously been thought. New Caledonia thanked SPC for the Pacific Youth Development Framework. New Caledonia also mentioned local regulations that give priority to local young people for employment, providing they have the right level of education and training. It is an important way to keep young people in their own country. New Caledonia noted the importance of defining youth integration policies in partnership with youth, and believing in youth.

101. Kiribati: Kiribati noted that the focus of development must be on youth. Kiribati commended the theme and the presentations made, and noted that youth unemployment is a growing problem in Kiribati. These challenges are an impediment to development. Kiribati discussed some of the measures the country was taking, including important initiatives working with health and church and leaders to assist efforts in birth control. Additionally, last year Kiribati developed a population policy. Kiribati also has a focus, with support from Australia, on improving the quality of education, through curriculum development and teacher training. A further area is strengthening technical vocational education and training (TVET), which equips 16–24-year-olds with international-standard qualifications, to build their skills in international labour markets. Kiribati also recognised Australia, New Zealand, the EU and Fiji – these countries had strengthened the link between education and employment, with several different programmes. Kiribati advised that it had a national youth policy 2012–2014. It noted that other points for discussion include the needs to improve data on indicators of youth engagement, to close the gender gap, and to increase the presence of youth in regional priorities.

102. PC (DG): The Director-General noted that the unemployment figures being used were summaries. Because there is some incomplete data and different methodologies, it was fair to say that the situation is probably worse in some countries than the statistics indicate. The DG referred to the SPC information paper on NEET (not in employment, education or training) written by the Director of SPC's Statistics for Development Division, which discusses the value, and relevance to the Pacific, of current and proposed measures of youth unemployment and vulnerability for SDG reporting.

103. France: France noted that youth make up more than 30 per cent of the population in many countries, and despite the opportunities, many do not have sufficient education, and have limited employment opportunities. France has transferred responsibility for education to New Caledonia. It is clear that, despite students completing school, they may not have all the expected skills. One good system is the special military service system, which gives young people in difficulty – whether they are Melanesian or European – an opportunity to receive training. There are also exchanges between schools in New Caledonia and schools in Australia and New Zealand. France wants schools to be more integrated into their surrounding environment, which includes the English-speaking countries. France noted that as part of COP21, a 4th dimension, 'From Lima to Paris', is open to NGOs, industry and other interested parties, to support the fight against climate disruption. Young people are enthusiastic and engaged in this process, and France hopes that COP21 will have a major youth focus. France noted that COP21 is just a step along the way; there will be COP22 in Morocco. It is a very long journey for young people to mitigate the results of climate disruption. France noted that it would support continuing efforts in this area.

104. Chair: The Government of Niue's policy on youth recognises that youth development is not just confined to one particular sector but requires an all-encompassing approach. Niue is also very interested in links with sports. When looking to youth to become part of employment programmes, it is necessary to identify target markets, and to encourage youth to move into areas that there are markets for.

105. Niue (Hon. Deputy Premier Talagi): The Deputy Premier elaborated on Niue's perspective on youth, saying young people are our development partners, and this is recognised by the Government of Niue under a national strategic plan. The government has introduced a number of initiatives to enable youth to return home to Niue and provides financial support on an annual basis for Niue's youth development programmes, including financial support for employment schemes. Educating young people is crucial to developing young people's resilience, including through cultural beliefs and traditions. Niue's Premier continues to place emphasis on providing youth with opportunities. Exposing youth to decision-making processes is important. Next week the government would host a youth parliament. There should also be more government and private sector partnerships. Education pathways were critical to capturing the needs and skills of all youth. Saying we need to recognise the potential in all youth, and

provide the support they need to capitalise on work opportunities, he said Niue looks forward to working together with the Pacific Community to ensure that the voices of youth are heard.

106. UN Envoy: The UN Envoy said half of the world's population is aged under 25. In India there are 800 million people under 35 years old. The question is how to engage youth to make sure that they are partners, not beneficiaries. He said we have to engage young people as partners to implement development goals. The UN Envoy agreed with the Premier's opening remarks of the meeting – we often forget that our people are our assets. We need to think of youth as an opportunity not a liability. The narrative will shift. We should think about investments – the more you invest in young people, the more your economy will develop. We need to think of the cost of not investing in young people – look at the evidence around the world. We have a clear choice. The UN Envoy said he would leave the meeting with the thinking that there are so many young people in the region that can contribute to development – this potential needs to be unlocked, with investment and partnership and engagement. The UN Secretary General has said we start with assumptions on what people want. We need to meet young people – this will challenge some of the assumptions that we have. A regular forum with young people is a good idea. The UN Envoy suggested that what we have today is the biggest opportunity the Pacific region could dream of – the large number of young people eager to contribute to development. They need more opportunities – investment not support – and that investment will pay back, in driving the Pacific forward to where it desires to be. This is an opportunity to try something in this region, to show how it can work, to the rest of the world – to inspire other regions as well. The UN Envoy hoped that everyone would leave the room with a renewed commitment to working with young people, not just to work for them.

107. Samoa: The delegate said the UN presentation was welcomed. As the world's major and largest development organisation, the UN's contribution was very useful. SPC's presentation and recommendations, and the report of the DG, had been well received, and Samoa endorsed the recommendations. However the delegate reiterated the point he made previously – the importance of avoiding duplication and unnecessary spending of resources. Members rely on SPC, and they support its initiatives, along with other organisations in the Pacific, especially CROP agencies. Samoa had reservations on recommendation v, as the DG indicated. It was important to avoid further costs for SPC and other reliable partners and to make the best use of resources. Samoa suggested there must be another SPC meeting coming up, and that any special meeting could be held back-to-back to avoid requiring further funding for participation, and duplication of time spent and representation.

108. SPC: The DG assured the Minister there will be no new meetings set up and invited all delegations to ensure that they participated in the drafting of the outcomes statement. The DG thanked the UN Envoy for coming all the way to Niue and said he had found his intervention inspiring. His focus on moving away from the 'find a job' message that is often given to young people, to 'create jobs', is significant, as is the need to ensure regulations, access to finance and mentoring are in place. The DG acknowledged the reference to climate change, given that young people have more of a stake in the future than the older generation.

109. The DG thanked Australia, an important partner for many programmes, and acknowledged the excellent relationship with Australia. He said Youth@Work in Solomon Islands is a great initiative and acknowledged DFAT's contribution to what is a low-cost, high-impact programme. He also expressed appreciation for delegates' contribution to the dialogue and said CRGA 46 should focus on implementation – i.e. moving on from enthusiasm and good ideas to implementation. Focusing on what is possible and implementing even just two or three ideas like Youth@Work would enable progress.

110. Statements that were handed to the secretariat are in Annex 5.

AGENDA ITEM 8 – ADOPTION OF CONFERENCE OUTCOMES AND KEY MESSAGES FROM THE HIGH-LEVEL DIALOGUE

111. The motion to adopt the Communiqué of the Ninth Conference of the Pacific Community was moved by America Samoa and seconded by Niue.

112. SPC: The DG noted that the secretariat is conscious about how to best use ministers' time and had shortened CRGA with a view to supplementing the conference agenda with a ministerial discussion on a high-level area not completely within SPC's mandate. This had resulted in a wonderful discussion on the enormously important topic of youth. He thanked the ministers for the excellent discussion, and expressed appreciation for the active participation of the young people who had contributed.

113. Chair (Alternate): The Chair said the Hon. Premier extended his most sincere apologies for not attending the closing of the Conference. He noted that the discussion throughout the Conference and high-level dialogue had been open, frank and sincere, which was in the spirit of the theme 'Resilient pacific people – turning the tide'. He thanked the Director-General and SPC staff for working together to make the meeting successful. He also thanked the Secretary of the Government, Richard Hipa, and all who were involved in organising the meeting.

114. SPC: The DG thanked all those who had a role in organising and supporting the meeting, especially Secretary Hipa and the people involved in transport, catering, and all the other logistical requirements of holding a successful meeting. He also thanked development partners and colleagues from SPC.

COMMUNIQUÉ

NINTH CONFERENCE OF THE PACIFIC COMMUNITY

(ALOFI, NIUE, 3–5 NOVEMBER 2015)

1. The Ninth Conference of the Pacific Community (SPC) met in Niue to advance the strategic direction and priorities of the organisation for the next five years. The Premier of Niue, the Hon. Toke Talagi, officially opened the biennial meeting, which was chaired by Niue with Kiribati as Vice-Chair, and attended by the Deputy Prime Minister of Tonga, Ministers from Australia, Cook Islands, Fiji, Niue and Samoa, and representatives of American Samoa, France, French Polynesia, Guam, Kiribati, Marshall Islands, Nauru, New Caledonia, New Zealand, Papua New Guinea (PNG), Solomon Islands, Tokelau, Tonga, Tuvalu, United States of America and Vanuatu – and by observers and partners, including the European Union, GIZ (Deutsche Gesellschaft für Internationale Zusammenarbeit), Pacific Islands Forum Secretariat (PIFS), Secretariat of the Pacific Regional Environment Programme (SPREP), and the United Nations.
2. The meeting was hosted by the Government of Niue at the Millennium Hall, Alofi. SPC members expressed their deep gratitude to the Government and people of Niue for the excellent arrangements made in hosting the Ninth Conference and for the warm and generous hospitality extended to them during their stay on the ‘Rock’ of Polynesia.

Adoption of CRGA 45 decisions

3. Conference recognised the work done during the 45th meeting of the Committee of Representatives of Governments and Administrations (CRGA), which took place at the Millennium Hall, from 31 October to 2 November 2015, under the able chairing of Nauru, and adopted the recommendations of the meeting (Annex 1 of this Communiqué).

Director-General’s overview

4. Conference commended the Director-General on the key activities undertaken in 2014 and 2015 to consolidate SPC’s position as the leading scientific and technical agency in the Pacific region supporting sustainable development in member states and territories, noting in particular the ‘Change Agenda’ initiated in 2014 to ensure SPC’s fitness for the future, including analysis of priorities informed by closer engagement with members, integrated programming approaches to regional cross-cutting issues, strengthened monitoring, evaluation and learning to underpin improvements in effectiveness, and retention and development of the scientific and technical capabilities that are the heart of SPC’s effectiveness.
5. Conference recognised that a sustainable and predictable financing regime is critical for addressing major regional challenges, with SPC’s current reliance on project funding and the imbalance between project and core funding bringing risks and constraining strategic allocation of resources. In this regard, Conference acknowledged the partnership agreements signed between SPC and Australia, New Zealand and the European Commission, which allow greater flexibility of resource use, and the important contributions from France and the United States of America in support of the Pacific Community.

6. Conference acknowledged the High-level dialogue on Climate Change between the President of France and Pacific Island leaders at SPC headquarters in Noumea in November 2014, noting in particular the President of France's decision to provide a high-level international technical expert to lead SPC's Environmental Sustainability and Climate Change Programme in 2015. They also welcomed France's commitment to ensuring the success of COP21 and its recognition of the particular threat of climate change for the Pacific Island region.
7. Conference expressed its pleasure that the Pacific Community had been granted the status of Permanent Observer to the United Nations following the adoption of a resolution by the UN General Assembly in December 2014, noting that the resolution enabling SPC to participate as an observer in the sessions and work of the General Assembly was submitted by the Fiji delegation. Conference also noted the Director-General's maiden speech at the UN General Assembly, which outlined how SPC will support its members' efforts towards achieving the Sustainable Development Goals.
8. Conference expressed gratitude for the outstanding work of the outgoing Chair of the Conference of the Pacific Community, the Hon. Ratu Inoke Kubuabola, Minister of Foreign Affairs, Fiji, and welcomed the incoming Chair, the Hon. Toke Talagi, Premier of Niue.

Endorsement of the Pacific Community Strategic Plan 2016–2020

9. Conference endorsed the Pacific Community Strategic Plan 2016–2020, which sets out the Pacific Community's strategic direction and priorities for the next five years. Recognising that the Strategic Plan is the result of an extensive process of consultation with member countries and territories, development partners and staff, Conference affirmed the five objectives of the Strategic Plan, particularly its focus on strengthening engagement and collaboration with members and partners, prioritising services, and enhancing technical and scientific knowledge and expertise.
10. Conference recognised that the Strategic Plan adopts the vision of the Pacific Islands Forum Leaders as a regional vision to demonstrate the value of a united regional approach, with the mission articulating how the Pacific Community will contribute to this shared vision.
11. Conference acknowledged with gratitude the excellent work of the CRGA Pacific Community Strategic Plan Subcommittee in 2015, noting in particular the inclusive approach to engaging members in developing a navigational chart for SPC and the leadership provided by the Chair, Mr Tregar Albons Ishoda of Marshall Islands.
12. Conference noted with approval that a CRGA subcommittee will be established to provide oversight and advice to the secretariat in implementing the Strategic Plan, and that the membership of this subcommittee will represent the composition of the Pacific Community, in particular by including the following constituencies: Melanesia, Micronesia, Polynesia, and French-speaking and metropolitan members.

Framework for Pacific Regionalism

13. Conference strongly supported SPC's commitment to implementation of the Framework for Pacific Regionalism, in areas within SPC's mandate, recognising it as a public priority setting process, but also recognising that not all its members are involved in the Framework process and that no new resources are currently available to address the priorities referred to it.

Strengthening coherence through the Council of Regional Organisations in the Pacific (CROP)

14. Conference urged CROP agencies, including SPC, to increase their efforts to improve cohesion with the aim of enhancing service delivery to member countries and territories.

Resilient Pacific people – turning the tide

15. Conference deliberated on the theme, 'Resilient Pacific people – turning the tide', which was selected by the Government of Niue after a national competition. The rich discussion of the theme highlighted inspiring national responses to challenges, with members describing efforts targeting reduced reliance on imports, increased renewable energy, improved technological capacity, improved education and training, and protection of natural resources. Members were also urged to recognise the role of the private sector in growing their economies and the value of adopting some of the private sector's practical concepts to increase their resilience. The Director-General clarified that a virtual knowledge hub would primarily involve information sharing and networking between relevant stakeholders and would not require additional resources. Conference also noted the importance of the upcoming France Oceania Summit as a platform for dialogue and action on the theme of climate change, resilience and other significant development challenges for the region.
16. Conference endorsed:
 - a focus on pursuing practical solutions to the challenges and vulnerabilities facing the Pacific region, building on opportunities presented by political agreements and best practice solutions, and embracing effective partnerships;
 - an approach of documenting experiences and success stories across key areas of sustainable development, with a view to scaling up and replicating these across the region;
 - the fostering of productive, results-oriented partnerships founded on mutual respect and accountability;
 - the inclusion of all stakeholders, including vulnerable and marginalised groups in identifying development issues and formulating sustainable solutions;
 - SPC's role in contributing to a virtual knowledge hub, in cooperation with other CROP agencies and partners (including the private sector), for fostering the development and sharing of best-practice, sustainable development solutions.
17. Conference appreciated the announcement by the United States of America of the new USAID grant for the Institutional Strengthening in the Pacific Island Countries to Adapt to Climate Change (ISACC) initiative in partnership with SPC, PIFS and SPREP.

Observer statements

18. Conference noted with interest and appreciation the statements from the European Union, GIZ, PIFS, SPREP and UNICEF.

Tenth Conference of the Pacific Community

19. Conference acknowledged with appreciation the offers from New Caledonia and PNG to host the Tenth Conference of the Pacific Community in 2017. Following further discussion between New Caledonia and PNG, the secretariat will inform members of the decision. The hosting country will chair the Tenth Conference with the Vice-Chair to be confirmed at CRGA 46.

OUTCOME STATEMENT
FROM THE HIGH-LEVEL DIALOGUE
(Alofi, Niue, 5 November 2015)

**GROWING A RESILIENT PACIFIC COMMUNITY
THROUGH YOUTH-FOCUSED DEVELOPMENT**

Preamble

1. The High-Level Dialogue on Growing a Resilient Pacific Community through Youth-Focused Development was held in Alofi, Niue, on 4 November 2015 during the Ninth Conference of the Pacific Community. It was chaired by Dr Colin Tukuitonga, Pacific Community Director-General, who said 5 million of the Pacific's 10 million people are under 25 years of age, representing a tremendous source of vitality and renewal.
2. Twenty-one member countries and territories were represented at the Conference.
3. Recognising the global challenges facing youth, which transcend the boundaries between all regions of the world, and noting the call for regional and national action made by the 1st Pacific Region Commonwealth Youth Ministers Meeting in September 2015, members of the Pacific Community expressed appreciation for the opportunity to address the concerning situation of youth in the Pacific region and to explore global and regional policy responses and best practices at the national level.
4. Members discussed and agreed on the following recommendations:

Young people in global, regional and national development agendas

5. The Conference welcomed the keynote address by the United Nations Secretary-General's Envoy on Youth, Mr Ahmad Alhendawi, noting in particular:
 - a. that public policies for youth are in urgent need of a new approach and renewed commitment across development sectors to improve implementation of plans and adequately respond to young people's needs, aspirations and demands;
 - b. the need to promote synergies between youth policies and broader development policies, most pertinently, the new 2030 Agenda on Sustainable Development and the Small Island Developing States (SIDS) Accelerated Modalities Of Action [S.A.M.O.A.] Pathway;
 - c. the importance of aligning the Pacific Youth Development Framework (PYDF) 2014–2023 with the 2030 Agenda on Sustainable Development and supporting engagement of young people from the region in action relating to the Sustainable Development Goals and regional development priorities through the Global Youth Partnership for Sustainable Development Goals ('Youth Gateway');
 - d. the increasing prominence of young people's role in addressing climate change worldwide, and therefore the importance of engaging young Pacific people in the region's responses to climate change; and
 - e. the importance of supporting the finalisation of the Pacific Youth Employment Strategies (PacificYES) and mobilising political, financial and institutional support for country-level implementation of PacificYES to reduce the alarming youth unemployment rate in the Pacific (currently 23% and up to

50% in some countries) by 2024. The requirements include greater access for young people to youth-friendly employment services and high-quality, demand-driven education and capacity-building opportunities, encouragement for entrepreneurship, and start-up support for sustainable youth businesses, including reducing legal and business barriers, particularly for vulnerable and disenfranchised young people.

- f. the need to listen to young people themselves, invest in their future, and acknowledge their eagerness to contribute to society, and their ability to act as agents of change, especially in addressing the impacts of climate change on their islands.
6. Conference applauded the inspiring response to the keynote address made on behalf of Pacific youth by the Pacific Youth Council. Members acknowledged the mobilisation and leadership of young people in climate change mitigation and adaptation in the region including in developing resilient agricultural systems; in advancing regional and national commitments to addressing youth unemployment; and in accelerating progress towards achieving gender equality and young women's empowerment.
 7. Conference also welcomed the statements by the Hon. Tolofuaivalelei Falemoe Leiataua, Samoa's Minister of Women, Community and Social Development, and the Hon. Steven Ciobo, Australia's Minister for International Development and the Pacific in support of empowering youth in development and on the broader challenges and priorities for strengthening resilience through collaboration and cooperation, including through economic development based on trade and investment and greater empowerment of women. Members welcomed information on the Youth@Work programme developed and implemented in the Solomon Islands as an example of concrete action with and for youth.
 8. Members recognised that a strong education sector in the Pacific, including vocational training, scholarships and exchange visits, is key to opening doors for young people and part of the solution to ensuring youth are ready for future opportunities. Opportunities offered for young people through ICT should be explored, noting the challenge of ensuring cyber-safety and the current lack of appropriate legislative frameworks.
 9. Members agreed to respond to the call from young people to promote meaningful engagement of youth as development partners who can contribute to guiding and implementing regional and national development agendas, participate in inter-generational dialogue, and benefit from opportunities for partnership and the transfer of leadership and experience.
 10. Members noted with concern that despite positive changes in some areas, young people are lagging behind in several areas of development, due to limited investment in youth-related issues. Members acknowledged the need to respond to the situation for youth in the region with urgency and innovation, and to go beyond conventional measures, as demonstrated by private sector partnerships to support youth enterprise in Samoa and Niue, the Youth@Work programme in Solomon Islands, and sports programmes in various member countries.
 11. Members discussed ways of increasing the prominence and effectiveness of youth ministries, and the promotion of inter-ministerial collaboration in implementing youth policies. Identifying gaps in service delivery to key populations of youth, and improving national surveillance to accurately determine the status of youth are important precursors to determining priority actions.
 12. Members welcomed the call for meaningful engagement of young people in the Pacific in the implementation of the 2030 Agenda on Sustainable Development and the Youth Gateway.

Increasing the focus on youth in growing resilient communities in the Pacific

13. Members noted that, in line with the Conference theme – ‘turning the tide’ towards achieving national and regional development goals, there is a need to address the vulnerability of youth by prioritising them in development, so as to foster their capabilities and contributions to growing resilient Pacific communities.
14. Members urged the international community to commit resources to youth development at national and regional levels, in line with the direction of national youth policies and strategies.
15. Members noted the Pacific Youth Development Framework 2014–2023 as the regional approach to youth-centred development in the Pacific, and acknowledged the PYDF’s focus on reaching key populations of youth, including young women, rural youth, youth with disabilities, out-of-school and unemployed youth, and youth with diverse sexual orientation and gender identities, and agreed that progress on the implementation of the PYDF will be reported to CRGA 46.
16. Conference stressed the importance of engagement with and commitment to the PYDF on behalf of members, development partners, national youth councils and other youth stakeholders, in order to operationalise the framework and improve the coordination and effectiveness of development assistance for and with youth.
17. Recognising the need for a high-level forum to monitor the situation of youth, drive progress and ensure commitment to relevant issues, Conference agreed that a focus on youth would become a standing agenda item at Pacific Community governing council meetings, and accordingly CRGA and Conference through the Social Development Division are tasked with monitoring progress in youth development and deciding on an appropriate way to support youth issues and the PYDF. Conference also noted the connection between training and employment opportunities
18. Members recognised the important role of representative youth structures in reaching key populations of youth, and called on the Pacific Community to continue its support for and nurturing of the role of the Pacific Youth Council Secretariat, particularly with regard to its shared partnership on regional coordination of the PYDF.
19. In view of the critical levels of youth unemployment and underemployment in the region, Conference agreed to support the development of opportunities to help build skills for youth, in the form of regional awards for youth enterprise, youth internships in SPC and the adaptation of good practices through South-South cooperation. These initiatives will not only help to build capacity for youth development but will further inspire young people’s innovation and creativity.
20. Conference endorsed the integration of youth issues across SPC’s programmes, particularly in the areas of climate change, food security and non-communicable diseases.
21. In recognition of the role of development partners as important stakeholders in the implementation of the PYDF, Conference called on development partners to contribute to and participate in PYDF activities, and to commit to stronger partnerships, in order to improve the effectiveness of investment in youth.

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Director – Economic Development Division	Capt. John Hogan
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Manager, Solomon Islands country office	Ms Mia Rimon

**FORTY-FIFTH MEETING OF THE
COMMITTEE OF REPRESENTATIVES OF GOVERNMENTS AND ADMINISTRATIONS
(CRGA 45)**

Chairperson: Mr Michael Aroi
Deputy Speaker of Parliament, Government of Nauru
Nauru

Vice-Chairperson: Ms Anne-Claire Gourant
Chargée de Mission for Multilateral Cooperation and Regional
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CRGA AGENDA

1. Opening and adoption of the agenda
2. Director-General's overview report
3. Governance review implementation
4. Membership policy
 - Update on Timor-Leste membership
 - Policy on membership and permanent observer status
5. Governance and focus of Educational Quality and Assessment Programme (formerly SPBEQ)
6.
 - a. Pacific Framework for Regionalism
 - b. Strengthening coherence through CROP
7. Presentation of the Pacific Community Strategic Plan 2016–2020 (closed session)
8. Pacific Community Strategic Plan 2016–2020
9. Operations and Management Directorate Report
 - Audit and Risk Committee Report
 - Renewal of Audit and Risk Committee
 - Financial year 2014 accounts and auditors' management letter
 - Budgets – 2015 revised budget and 2016 proposed budget
 - Reports on human resources
 - CROP Triennial Review 2015
 - Annual market data review and fiscal year 2016 salary scales and salary review
10. Director-General's performance assessment (closed session)
11. CRGA 46 – Meeting Chairperson and Vice-Chairperson
12. Observer statements
13. Other business
14. Adoption of CRGA decisions
15. Closing

REPORT OF CRGA PROCEEDINGS

AGENDA ITEM 1 – OPENING

1. The 45th meeting of the Committee of Representatives of Governments and Administrations (CRGA 45) opened on 30 October 2015 at 4:00 pm, in Alofi, Niue. The meeting was chaired by the Republic of Nauru, with New Caledonia as Vice-Chair, and was attended by representatives of the following members of the Pacific Community – American Samoa, Australia, Cook Islands, Fiji, France, French Polynesia, Guam, Kiribati, Marshall Islands, Nauru, New Caledonia, New Zealand, Niue, Papua New Guinea (PNG), Samoa, Solomon Islands, Tokelau, Tonga, Tuvalu, United States of America and Vanuatu – and by observers and partners including Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), the Pacific Islands Forum Secretariat, Singapore, and the Secretariat of the Pacific Regional Environment Programme (SPREP).
2. The Chair formally opened the meeting, and said that the new Pacific Community Strategic Plan 2016–2020 and the Framework for Pacific Regionalism (FPR) would be important areas of focus for CRGA.
3. The Chair called for volunteers for the Drafting Committee, which comprised: New Caledonia (Chair), Australia, Fiji, France, Kiribati, New Zealand, Niue, Republic of Marshall Islands, Samoa, USA and Vanuatu. The first meeting of the Drafting Committee was set for 1 November 2015.

AGENDA ITEM 2 – DIRECTOR-GENERAL'S REPORT

4. The Director-General (DG) presented an overview of key activities undertaken in 2015 to consolidate SPC's position as the leading scientific and technical agency in the Pacific region supporting sustainable development in member states and territories. The SPC 'change agenda' initiated in 2014 continued, with a focus in 2015 on developing the Pacific Community Strategic Plan 2016–2020. He said multi-year business plans for SPC's technical work, including cross-divisional work, will align with the Strategic Plan, and monitoring, evaluation and learning will be strengthened to underpin continual improvements in effectiveness. He noted that SPC's heavy reliance on project funding and the imbalance between project and core funding brings risks and constrains strategic allocation of resources. To ensure a sustainable and predictable financing regime for the organisation, a number of measures are being explored, including full cost recovery, consistent application of management fees to project-funded activities and a more targeted approach to resource mobilisation. In this regard, the partnership agreement signed between SPC and the European Commission during the year reflects the significant funding provided by the European Union (EU) and the need to actively engage the EU in planning and monitoring the work of SPC. Improving the coherence of policy advice and the way CROP (Council of Regional Organisations of the Pacific) agencies work together, particularly in relation to the Framework for Pacific Regionalism, will be a critical area of activity in 2016. The DG emphasised that member countries are the drivers of change and development, with the secretariat playing a part through providing research and information, and services that are regarded as regional public goods. He noted his presentation would focus on key issues but would not cover the details of divisional and team activities.
5. The DG mentioned other examples of the challenges SPC faces. In relation to staff terms and conditions, SPC is trailing other CROP agencies on rewards and remuneration. SPC has excellent office facilities in Noumea, but this is not the case in Suva. A deferred programme of maintenance means that many of SPC's facilities are substandard and must be upgraded. The IT system needs to be expanded and modernised as soon as possible; it is close to being 'held

together by rubber bands' and in fact presents an organisational risk. Despite this, the teams in Suva and Noumea do a great job of keeping the system running.

Member representation

6. An issue for SPC is the consistency of representation of member states. It is a concern for SPC that there is a constant flux, which makes it difficult to keep members fully supported and informed. At the 8th Conference in Suva, delegates tried to determine what needs to go to CRGA and what should go to Conference, and this question would be discussed in a separate session at this CRGA.

Change agenda

7. In relation to improving the efficiency and effectiveness of SPC, the DG said SPC had a good track record of almost 70 years of delivering scientific and technical advice to members. However, 'the time to fix the canoe is not when there is a storm brewing', which is why SPC has engaged in a change process to ensure its continued ability to address contemporary and anticipated issues.

This ability has been affected by a decline, in real terms, in the resources available for development, and the rising expectations of members. The decline in SPC's budget meant there was a significant budget deficit in 2015. The secretariat responded through various measures to ensure that services continued, but the situation would recur in 2016 and most likely in 2017. In addition, some members were significantly in arrears in paying their membership contributions. The reality is that SPC cannot sustain recent levels of service or the range of services that members are used to.

8. A key activity for SPC in 2015 has been the development of the Strategic Plan for 2016–2020, which is the 'navigation chart' for the Pacific Community. In implementing the plan, it is essential that members and the secretariat agree on strategic priorities and together decide on a sustainable, long-term funding arrangement for the organisation. At present, only around 20–25% of SPC's budget is core funding; 75% of the money that comes to SPC is project funding that is already assigned. Accordingly, SPC has quite limited ability to decide how funds should be allocated and very little flexibility to respond to urgent priorities. The goal for SPC, set by members, is for a core funding level of 35%.

9. The secretariat is in the process of altering its organisational structure, particularly through reducing the number of Deputy Directors-General (DDGs) from three to two. This will not only save the organisation money, but it will also improve efficiency.

10. SPC shared with members at CRGA 44 an integrated programming approach. There has been progress, though slower than expected.

11. The DG said the well-known six-year rule has many strengths, but also some deficiencies. SPC needs to ensure that it has the best people it can get and the ability to retain them. The modified process that was discussed at CRGA 44 has been implemented and is working well.

12. SPC needs to continue to raise its profile, and to highlight the results of the work of its staff and programmes. Significant effort is being made to communicate SPC's work, and its successes and achievements, to members and the media.

Governance

13. The DG outlined some issues for governance in the region, noting the different membership of various regional organisations and the backgrounds of their member representatives. For example, member representatives for SPC's sister agency, the Secretariat of the Pacific Regional Environment Programme (SPREP), tend to come from

environment ministries. The Pacific Islands Forum (PIF) has 16 members. SPC has 26 members, which may increase to 27. It is very difficult for an organisation like SPC to get consistent messages from member states. The question is what happens when one agency decides on a course of action that affects SPC, but on which SPC has limited opportunity for input. Lack of an efficient architecture for best managing the resources that come to the region can result in duplication in the application of resources for development. Leaders in Port Moresby put forward a governance review plan, but this remains a serious concern for SPC. The DG said SPC was seeking to improve the relationship between CROP agencies.

Member engagement and country presence

14. The relationship between members and the secretariat is critical. A key principle of the Strategic Plan is more effective engagement with members? How does SPC ensure that it is responding to members' expectations? How can SPC be honest with members and say that it cannot respond to a particular request on this occasion? The discussion is part of improving the engagement between the secretariat and the members.

15. Chair: The Chair opened the floor for comments.

16. New Caledonia: The delegate asked whether it would be possible to organise a meeting between interested members and divisional directors to discuss the items in the DG's report.

17. SPC: The DG agreed and said the secretariat would arrange a meeting.

18. France: France thanked the DG for his presentation. It showed progress, but did not try to hide the challenges the organisation faces. The President of the French Republic's visit to SPC HQ was an acknowledgement of the important work done by SPC. During the visit, the President announced that France would support a new position of 'Director of Climate Change' at SPC. France thanked SPC for having implemented a multi-disciplinary, integrated approach to the challenges of the region. France supported the approach and would like this work to continue. With respect to the appointment of a Deputy Director-General in Suva, France stressed that the position should promote the programming approach. At the United Nations General Assembly (UNGA), the DG had given a speech that was very welcome, and France congratulated SPC on seeking to become more visible at the international level. France regards the relationship between SPC and other CROP agencies as very important. The current structure for regional agencies is complex and SPC will need to keep working with PIF. However, SPC has the largest staff of any CROP agency, and it is important that it continues to be heard. SPC faces challenges, but there are ways to solve those problems; one of those ways is for countries in arrears to pay their membership contributions. France fully shares the view of the DG on this.

19. Australia: Australia said it is keen to see SPC align its budget with priority areas. Australia is following the implementation of the Framework for Pacific Regionalism very closely to see where the priorities of different organisations can best marry. The question of funding was very important and Australia heard what SPC was saying about the review that recommended a core funding level of 35%. Australia provides most of its funding as core funding; more than 40% of SPC's core funding is provided by Australia. Australia urged other donors to do the same, in accordance with international best practice. Australia thanked the DG for his comments about the change agenda and the Strategic Plan.

20. Republic of the Marshall Islands (RMI): In respect of the remuneration of SPC staff, RMI understood the points raised by the DG, and said that there needs to be a harmonisation process across CROP agencies. The financial sustainability of the organisation is critical, and RMI is mindful of the implications. RMI appreciates the services that it receives from the secretariat. As for engagement with members and the need to prioritise, RMI agrees that SPC needs to look at prioritisation and at being strategic about where it places its resources. RMI supports the North Pacific Regional Office (NPRO) because of the services it is able to provide in the northern part of the region. Concerning the recruitment of the DDG for the Suva office, RMI noted it had missed that development and asked for better communication between the secretariat and members on such issues.

21. SPC: The DG responded to the representative of France, saying that the secretariat had been honoured to receive President Francois Hollande and leaders and delegates from Pacific Island countries and territories. The high-level dialogue had elevated awareness of issues in the Pacific, including climate change. The DG said that a conversation with the President would again take place leading up to COP21. SPC hoped that the visit helped to improve the relationship, and acknowledged with gratitude the financing of a senior position to coordinate SPC's climate change related work with that of other CROP agencies.
22. The DG thanked Australia for its funding, and acknowledged that SPC has signed long-term strategic partnership agreements with Australia, New Zealand and the EU. These set out a longer-term view of the relationships and give SPC more certainty in its planning. The DG also acknowledged conversations with New Caledonia and France, and earlier with the Government of the United States. SPC realised that legislation might not allow these kinds of arrangements for everyone, but they were very helpful in developing a shared idea about working together.
23. The DG said he was somewhat sceptical about harmonisation between CROP agencies. There was work going on towards this ideal, but harmonisation was an elusive notion in many respects. There were obvious disadvantages for the SPC team in terms of conditions.
24. The DG acknowledged RMI's comment on communication with members but noted that the appointment of the DDG for Suva rested with the DG and was therefore regarded as an internal management issue.
25. New Caledonia: New Caledonia questioned the value of maintaining the divisional structure, given the difficulty of taking crosscutting approaches across divisions. New Caledonia acknowledged that SPC has started mainstreaming gender, culture and youth, which is a good direction. In relation to the Green Climate Fund, New Caledonia asked what SPC saw as its role in assisting the region to gain access to that funding stream. In relation to SPC's financial situation New Caledonia noted the reference to the 11th European Development Fund (EDF11) in the report. New Caledonia would like to call on CROP agencies to develop projects that could have a regional dimension open to all members without discrimination. The delegate also referred to a paragraph asking members to agree on a position on the amount of money that would be allocated to post-disaster recovery in Northern Mariana Islands (CNMI) and said this should include consideration of the question of its arrears. New Caledonia encouraged the secretariat to communicate with members more regularly, noting some surprise at seeing the DDG Suva role being advertised. In respect of facilities, New Caledonia is indeed talking about maintenance of HQ buildings, but also about an agreement that enables greater cooperation between SPC and New Caledonia.
26. SPC: The Director-General said organisational structure was first of all about achieving strategy. Structural change is inevitably difficult and can be inefficient. It is more important, in the longer term, to create a culture of excellence and values with a fundamental view to protecting the technical strengths and expertise that SPC has developed over the years. On the Green Climate Fund, the DG said members are the best people to get accreditation – they know what they want to do. SPC's role is to support them. He said that CNMI have had a tough time with natural disasters and SPC is working with CNMI as a member. The DG reiterated that the appointment of a DDG in Suva is a management decision for the DG within SPC's rules. That could be reassessed if members wished. In response to New Caledonia's intervention on the maintenance agreement, he said he was also referring to a longer-term partnership relationship, rather than the maintenance contribution. Nevertheless, the secretariat is very grateful to New Caledonia for this contribution.
27. Fiji: In relation to SPC facilities in Fiji, Fiji acknowledges that it has taken a few years, but the Pacific Village, and the consolidation of SPC's seven sites in Suva, remains a vision. Fiji would like to make that contribution to the region. Diminishing finances means members must prioritise and look at their own country priorities before they approach the secretariat. Fiji commended the programming approach and also commended the secretariat for increasing its visibility and communication on what SPC has achieved with its members. Fiji noted that the organisation's structure, and the reduction in DDGs, impacted on inter-divisional synergies.
28. Niue: Niue acknowledged the SPC programmes and the projects that Niue works with, and thanked the entire staff of SPC. Niue agreed that duplication is an issue, especially for a small island like Niue, which could not deal with multiple organisations with its limited resources. CROP agencies must work together and coordinate. SPC staff salaries need to be addressed within a time plan, so that something has been done about the issue by the next meeting. Change can be healthy, but it must also be efficient, as the DG said.

29. New Zealand: NZ commended SPC's work and progress since the last CRGA. NZ acknowledged that the regional architecture is complex and can be difficult but if everyone worked together, it was possible to overcome the challenges. Like Australia, NZ believes core funding is critical and agreed with SPC's goal to increase core funding. NZ asked whether there is a 'plan B' for the Pacific Village.

30. Cook Islands: Cook Islands sees prioritisation as important in the Strategic Plan. Financing is an important issue for CI as well, and CI hopes any solution will not involve higher membership fees. Remuneration is also an issue for CI. Regionalism is important for CI, noting that not all countries and territories are part of PIFS, and CI is looking at reconciling decisions from the various agencies. In relation to the subcommittee on regionalism, only five priorities were agreed by Leaders – the rest have been referred to agencies and financing of those projects is an issue. Member engagement and country presence are also important issues. It is important for CROP agencies to harmonise and coordinate; the other side is harmonisation at the country level, so in-country presence might be an answer. CI looks forward to the outcomes of the study of country presence. CI noted that the secretariat envisions a review process that includes all members.

31. SPC: The DG acknowledged Fiji's comment on the Pacific Village, noting that SPC was fortunate to have the facilities it did in Noumea. As DG, he was mindful of operational difficulties for colleagues in Suva and of the need to make progress on this issue. The immediate challenge for SPC is to meet the needs of the Geoscience Division. SPC is reliant on the host government and will continue this conversation with a view to making progress. He acknowledged the work of Fiji in assisting SPC to achieve Permanent Observer Status at UNGA.

32. In relation to the points raised by Cook Islands, he said SPC has no intention of raising membership fees for island member states. At the next CRGA in June 2016, there will be a detailed discussion and report on financial sustainability. Full cost recovery will be one of the items for discussion. The secretariat plans to do the strategic work before meeting members again in June and recognises the need to stabilise its financial situation.

33. SPC: In relation to CROP agencies, the DG said one issue was how to have a coordinated presence at the country level. On the governance review, he noted a colleague from PIFS was attending CRGA. The terms of reference for the review have been drafted and shared.

34. USA: The USA found the report honest and clear. CROP cohesion and implementation are important and better cohesion could improve coordination. Unfortunately, the USA is not in a position to increase its core budget contribution. The USA acknowledged that prioritisation is easy to talk about in general terms, but difficult in practice as it means no longer doing some things. Hard choices have to be backed by identified reasons. The USA supports SPC's emphasis on prioritisation and looks forward to discussions on the subject. SPC has identified the requirement for better coordination and rationalisation and coherence, but these should not involve sacrificing its core capabilities. The USA appreciates SPC's emphasis on strategic communication and some of the new and innovative methods being used.

35. SPC: On the issue of retaining SPC's core strengths – which are generally vertical in nature and a defined community of practice – the DG said the challenge is how to build and further enable them. As his report states, for small countries, SPC is the provider. While SPC wants to adopt a more integrated approach, e.g. in food security, NCDs, climate change and disaster risk management, these are by nature multi-sector/multi-faceted issues, and therein lies the challenge in enabling the different areas of SPC to work together and with countries. SPC divisions will produce business plans that are aligned to the Strategic Plan and the secretariat will strengthen the monitoring, evaluation and learning (MEL) components of its work.

Priorities

36. The DG said he was fortunate to be present at the adoption of the Sustainable Development Goals (SDGs) at UNGA, and was able to make a brief intervention, which pointed out that expectations for goals and indicators have no hope without statistical support. SPC's Statistics Division is working on this with countries. This is an area where SPC makes a large contribution.

37. In relation to the FPR adopted by Pacific leaders, the meeting had heard that there had been 60 submissions from the public. As a result of these submissions, 18 of the 'unsuccessful' submissions had been referred to the

governing body of SPC without prior discussion, which was a little unusual. Four of the five priorities that were selected and supported by members involve SPC's current work. (West Papua is not an issue for SPC.) The rest are a challenge and SPC is working with CROP colleagues to determine how to deal with them.

38. In respect of EDF11, the EU had indicated the priorities. SPC is a major implementer of the EDF process and is actively participating in the agenda for EDF11. However, 'scrambling' to get a share of the resource distorts the mandates and missions of CROP agencies. The argument is that CROP agencies should have a big share of the EDF11 objectives. The DG said SPC needed the support of CRGA in differentiating the roles of the different agencies. There was a risk of, yet again, being confused about who does what, in determining the right organisation to deliver the job. SPC has been open and clear with the different CROP agencies it works with, but this approach has not always been reciprocated.

39. Chair: The Chair called for further comments.

40. Cook Islands: On EDF11 funding and financing, CI acknowledged that New Caledonia had mentioned the issue of separate pools of money for different groups of countries and asked how SPC worked with overseas countries and territories (OCTs) and in managing EDF11 funding.

41. PNG: PNG signed a memorandum of understanding (MOU) on technical cooperation with SPC in 2014. PNG congratulated the DG on making SPC's first statement to UNGA and on SPC's admission as a Permanent Observer. The stakes were high for Pacific people in reaching a new climate change agreement. As the current chair of PIF, PNG was prioritising its work on addressing climate change in the Pacific. PNG looked to SPC to project the message on climate change in the lead-up to COP21 in Paris. The following messages are important: agreement is necessary on a maximum 1.5 degree temperature rise by the end of the century; loss and damage is to be a stand-alone element; and access to resources to address resilience and action in the Pacific is important, especially for small island developing states (SIDS) and least-developed countries. PNG endorsed the recommendations of the DG's report.

42. Fiji: In relation to climate change and COP21, Fiji said there have been many declarations, but what is needed is complementarity. Fiji also noted the need to consider migration provoked by climate change. On the SDGs, Fiji said although there were 17 goals, 169 targets, and 300 plus indicators, the underlying values of the SDGs were quite simple – people, peace and partnership. EU has signalled the priorities for EDF11 and Fiji considered that as the largest CROP agency, SPC should have an appropriate share of funding. Duplication of effort was perhaps a signal of the areas that are the most important – the challenge is to convert these overlaps into complementarity.

43. SPC: Noting the intervention of PNG, the DG said PNG is the largest member of SPC and has also contributed to the resourcing of SPC. SPC's interaction with PNG, and more broadly Melanesia, needed to be lifted. He was acutely aware of the great need, and the gap, in the level of support provided to bigger nations. SPC has an excellent relationship with the Melanesian Spearhead Group (MSG).

44. In replying to the comments from Fiji, the DG said SPC has not directly engaged in the issue of migration resulting from climate change. This is not to say that SPC does not regard it as important, but as an organisation, it is not likely to be actively engaged other than in a supportive role.

45. SPC: On EDF11, the Deputy Director-General (DDG) said that there are two pools of funding. SPC has been seen to have a role as a conduit between countries accessing those pools. Timing is an issue in terms of the release of funds for the different pools – for OCTs and African, Caribbean and Pacific (ACP) countries. SPC is participating in these discussions to see how we can work with countries to align their priorities and collaboration and for effective crosscutting.

46. New Zealand: NZ highlighted the importance that it attaches to collaboration around EDF11 and noted that the lag between the two funding streams EDF10 and EDF11 is an issue. The delegate asked what could be done to ensure that SPC did not lose well-trained staff during the hiatus.

47. New Caledonia: In relation to EDF11 and EDF10, New Caledonia's theme is natural resources and climate change. For COP21, New Caledonia is a French OCT. Because of its status as an authorising officer, New Caledonia would like to be the spokes-country for the Pacific at COP21. New Caledonia produces a relatively large amount of

greenhouse gases and is working to develop its climate change policies. A youth conference will take place in New Caledonia just before COP21 and New Caledonia invited Pacific countries to send representatives to the meeting.

48. Tuvalu: Tuvalu agreed that member engagement would be improved by having people on the ground representing SPC in countries. Those people could also assist governments. In relation to ICT, Tuvalu places a high priority on administering the .tv domain.

49. France: France returned to some of the remarks relating to preparations for COP21 and Pacific Island states. When the President of the French Republic came to Noumea last year, he fully understood the positions that were being put to him by the Pacific leaders present, and these views had been taken into account in France's position and preparation for COP21. France will take part in negotiations around the 1.5 degree target, and is working on 2 degrees as the maximum allowable temperature rise. What is important is that countries take part. Some contributions are not encouraging, especially from industrialised countries that do not believe they can make deeper cuts. As regards EDF11, the sums involved are considerable, so France suggested that the matter be raised with the representative of the EU. In relation to SPC offices in other regional countries, France believes the current placements are very important, especially the North Pacific office in Pohnpei. Before opening offices in other locations, members should discuss the objectives and rationale.

50. Niue: Niue mentioned that it uses the Solomon Islands desk officer for a number of things. On COP21, Niue encouraged and commended leaders championing the cause of climate change action and called for world political leaders to agree on change. He said the SDGs included too many priorities and some were what Niue considers everyday obligations of governments. ICT remains critical for Niue and he acknowledged Spark Telecom Niue for facilitating the supply of adequate bandwidth for the meeting. Niue considers EDF11 funding support important, especially in relation to disaster risk management.

51. SPC: The DG clarified what SPC means by 'offices'. Currently SPC has a presence in Fiji, FSM and Solomon Islands. There will be no further offices. What SPC is talking about is having a strategic presence in a country where it is deemed useful and efficient, and where countries part-fund such a position, perhaps in a government office. On a CROP presence in a country, members will need to talk among themselves on sharing arrangements.

52. In response to Tuvalu's mention of ICT capacity, he noted that members had made a decision to shift the responsibility for ICT to USP. SPC is a high user of ICT, but does not have capacity capability, or money to provide ICT technical support to countries. SPC will have a conversation with colleagues at USP, but SPC is not likely to engage in the issue directly. The DG said it was encouraging to hear about the gathering for young people in New Caledonia. On the issue of New Caledonia as a spokes-country at COP21, he said that was a question for countries and territories. He agreed with NZ that the gap between EDF 10 and EDF11 is a problem. SPC does not have the capacity to retain skilled individuals working in specific projects beyond the life of existing contracts. One of the problems with project funding is that it is stop-start – 6 months later you may find you need the same person. SPC has raised the possibility of a bridge with EU, but such arrangements are not EU policy.

53. RMI: On COP21 preparation, RMI said it was important that the messages members took to Paris were consistent and concise.

54. Kiribati: In acknowledging the DG's report, Kiribati said it has benefited from SPC's support, especially in technical and capacity-building areas. Resources were needed to ensure SPC's long-term financing and sustainability. Kiribati would like to see results-based outcomes strengthened and wants to have ownership of programmes – to contribute to the programmes providing maximum benefits. The Kiribati CROP Coordination Committee has called on all development partners to be on 'one page'. Kiribati agreed on members' comments on climate change and COP21, but said there was a need to be aware of what happens after COP21. The existence of some islands in the Pacific was threatened and countries were deeply involved in climate change adaptation.

55. Vanuatu: Vanuatu said SPC's contributions are immensely appreciated and acknowledged the development of the Strategic Plan. Vanuatu recognises the progress made in implementing the recommendations of the governance review, and also the financial constraints that SPC is facing, and looks forward to finalising its MOU with SPC. Vanuatu acknowledges SPC's efforts with the Melanesian Spearhead Group (MSG) and looks forward to greater collaboration with CROP agencies. The delegate commended the EU, Australia and New Zealand for their strategic

partnerships with SPC. He said Vanuatu has issues on the political front and other domestic issues but looks forward to fully complying with its financial obligations to SPC.

56. SPC: The DG said he was encouraged by the sentiments expressed and took them seriously. SPC needed to continue to improve how it provides support to members. He said members could consider the merit of a joint CROP/Governing Council forum – where agencies and governments come together. SPC is mindful of what happens after COP21 and is clear about its contribution and its ability to support members.

57. Samoa: Samoa congratulated the DG on his clear and logical report. The delegate indicated that it was 18 years since his last CRGA but the same issues arose. SPC is the original, venerable organisation. Others have come more recently – PIF, FFA (Forum Fisheries Agency) and SPREP – with different rationales and purposes. There appeared to be confusion of mandates, especially environmental mandates. Forum leaders have given the mandate for climate change to SPREP, as the lead agency. There is a real danger that some of the actions taken by other CROP agencies, such as SPC, could undermine or breach this mandate, and this is a serious issue. It is not insurmountable, but it is an important issue.

58. American Samoa: The delegate said he had listened to members comments with interest and thanked SPC for an excellent and productive report. He thanked Niue for hosting the meeting and conveyed the best wishes of the Governor of American Samoa.

59. Chair: The Chair proposed that recommendations of the paper be accepted as presented.

RECOMMENDATIONS

60. CRGA recommended to Conference that it:

- i. acknowledge the Pacific Community's (SPC's) achievements in 2015;
- ii. note progress on the SPC 'Change Agenda', including the new 'headline' structure that was discussed during consultation on the new Strategic Plan;
- iii. direct the secretariat and encourage members to participate actively in the CROP Governance and Finance Review;
- iv. approve the efforts of the secretariat and members to enhance the Pacific Community's outreach, visibility and partnerships, and mandate continuation of these efforts;
- v. endorse the secretariat's initiative to clearly identify priority areas of work and to focus resources accordingly, in line with the Pacific Community Strategic Plan 2016–2020;
- vi. provide guidance, as appropriate, to the secretariat on the key challenges facing SPC in terms of governance, partnerships, the regional architecture and CROP agency coherence;

- vii. note the fragile financial situation of SPC, approve the objective of increasing core funding to around 35% of the total budget and agree on exploring opportunities for cost-sharing on specific services and resource mobilisation in general, with a full financial outlook statement to be presented to CRGA 46 in June 2016;
- viii. note that the secretariat has determined that the organisation should revert to using its formal name 'the Pacific Community' ('la Communauté du Pacifique'), adopted by the 37th South Pacific Conference in 1997 to replace 'the South Pacific Commission' and reaffirmed by Resolution of the 8th Conference of the Pacific Community. This will rectify the informal practice of referring to the organisation as 'the Secretariat of the Pacific Community', which has developed over past years. Note also that the Pacific Community ('la Communauté du Pacifique') refers to members and the secretariat as a whole, as does the abbreviation 'SPC' ('CPS');
- ix. note the updated Pacific Community logo and associated visual identity.

AGENDA ITEM 3 – GOVERNANCE REVIEW: IMPLEMENTATION OF RECOMMENDATIONS

61. The governance review conducted in 2014 made nine recommendations designed to strengthen the organisation's governance. The secretariat has fully implemented four recommendations. As a result, CRGA meetings will now take place mid-year rather than at the end of the year; the role of the Conference of the Pacific Community has been clarified; the scope of the Audit and Risk Committee has been widened to include budget and major assets acquisitions; and a CRGA subcommittee was established to lead the development of SPC's new Strategic Plan.

62. Two other recommendations have been partly implemented. A preliminary draft of the terms of reference for streamlining regional meetings and regional mechanisms has been coordinated by PIFS. Additional support is being provided to the Chair of CRGA and the Director-General. However, the induction process for governing body members has not been implemented due to a lack of resources, but will occur for CRGA 46. The secretariat hopes to make more use of subcommittees on issues of substance. Members themselves must implement the recommendation encouraging continuity of representation at meetings, which should improve the effectiveness of CRGA.

63. Niue: Niue acknowledged the secretariat's work during the governance review, and commended the work to date on implementation.

64. Australia: Australia commended the secretariat for its progress in implementing the recommendations of the governance review, and looked forward to the remaining recommendations being implemented, especially the induction training. Australia acknowledged the importance of continuity in representation at CRGA. The Consul-General in Noumea is the normal representative, but was not able to attend due to a visit from an Australian minister.

65. New Caledonia: New Caledonia congratulated the secretariat on the concise documents for the meeting and on organising a two-day CRGA. However, the working papers for CRGA and Conference were distributed very late, which made it difficult to obtain input from the relevant authorities and this impacted on the efficiency of CRGA. New Caledonia is fully in favour of the principle of continuity. New Caledonia also considers that it would be useful for the secretariat to monitor the decisions of CRGA and inform members on their implementation throughout the year. For example, there could be reports on management meetings, or updates on implementation. It understands why the governance subcommittee did not meet in 2015, but hopes it will meet in 2016. New Caledonia congratulated SPC on

working closely with MSG. It requested more information about the country presence review and whether the economic returns for a host country were being considered.

66. SPC: The Director-General apologised if not all papers were provided within the agreed time frames and said the secretariat will endeavour to do so for future meetings. On monitoring CRGA's decisions, he said the secretariat needs to ensure that members are informed; however, there is a resource cost in having regular reporting on CRGA decisions. He was open to doing so if this was the wish of CRGA, bearing in mind that certain items are the responsibility of the management team. He advised that the country presence review is considering the risks and costs of locating SPC staff in strategic locations. It does not include a cost-benefit analysis. A previous study shared with FSM, Fiji, New Caledonia and Solomon Islands set out the economic benefits of an SPC presence in those states.

67. Fiji: Fiji commended the paper for providing a high-level overview and suggested that the induction of CRGA members could be done via tele- or video conferencing, which had been effective for the subcommittee on governance.

68. Guam: Guam agreed that an orientation session for new members would be beneficial. Guam will advocate for more consistent representation at future meetings. SPC meetings have value for Guam in that they allow it to actively participate in regional affairs. While supportive of the recommendations on timing of CRGA, the delegate asked that the meeting be held later in June, as the Festival of Pacific Arts will be held in Guam from 22 May to 4 June.

69. RMI: RMI congratulated SPC on a succinct and comprehensive paper. As an outgoing chair, the delegate considered orientation training was very important to continuity and to fully understanding the role of the chair. RMI noted that the MSG MOU is the type of strategic alignment that allows SPC to add value at the subregional level. RMI is interested in exploring how the Micronesian Chief Executives Summit could learn from this experience.

70. France: France supported the recommendations and fully agreed that CRGA 46 should be in June 2016. That meeting a few months after COP21 will be an opportunity to take stock of the outcomes. France is in favour of continuity of representation at meetings, and requested further information about the discussions with MSG.

71. SPC: DG noted that it is practice to use technology where possible to avoid face-to-face meetings, and agreed to try to schedule CRGA 46 for the second half of June. He noted that the MSG MOU was updated earlier in 2015. The MOU states that SPC will provide, on request, to MSG and its members, technical assistance within SPC's capabilities. All members of MSG are members of SPC. There is a good relationship between SPC and MSG and a shared understanding of aims.

72. Cook Islands: CI noted that continuity is always difficult with small island states, but it will do its best. There were several governance meetings in June/July, including FFA and the Forum Officials Committee (FOC); SPC feeds into those meetings and enables coordination and collaboration with CROP agencies.

73. United States: USA thanked the secretariat for the succinct paper and strongly supported the principle of continuity. While it can be a challenge, USA has established two different focal points. USA supports an end-of-June CRGA. It understands why the governance review subcommittee did not meet in 2015, but suggests a teleconference before the next CRGA. USA also echoed New Caledonia's comments on the timeliness of papers.

74. Niue moved that the recommendations of the paper be accepted. The motion was seconded by American Samoa.

RECOMMENDATIONS

75. CRGA recommended to Conference that it:
- i. acknowledge continued progress in implementing the recommendations of the Governance Review and the constraints to full implementation of some recommendations;
 - ii. note the importance of the principle of continuity of representation at CRGA and that members have provided an update to CRGA;
 - iii. note that CRGA has decided to convene CRGA 46 in the second half of June 2016.

AGENDA ITEM 4 – MEMBERSHIP POLICY

AGENDA ITEM 4.1 – UPDATE ON TIMOR LESTE MEMBERSHIP

76. CRGA 43 and the 8th Conference of the Pacific Community approved a resolution extending the territorial scope of the Pacific Community to include Timor Leste. This resolution entered into force on 19 November 2014. On that basis, CRGA 44 mandated the secretariat to extend a formal invitation to Timor Leste to join the Pacific Community. By diplomatic note dated 9 February 2015, the Government of Timor Leste was formally invited to join the Pacific Community and informed of the procedure that must be followed to accede to the Canberra Agreement and thus become a Participating Government. The secretariat was informed this accession would require the approval of Timor Leste's Council of Ministers and Parliament. The most recent advice received by the secretariat was that Timor Leste was briefing its cabinet in the week before the CRGA meeting. There had been no further update.

77. Niue: Niue commented that it was looking forward to receiving Timor Leste at the Conference as the newest member of the SPC family, but will instead look forward to that when it eventually happens.

78. New Zealand: NZ said it would welcome the opportunity to greet Timor Leste around the table and noted that it takes resources to follow up the issue. There are cultural linkages between Timor Leste and the Pacific, and as a potential future member of ASEAN, Timor Leste could hopefully open up opportunities for the Pacific.

79. Niue moved that the recommendations of the paper be accepted. The motion was seconded by New Zealand.

RECOMMENDATION

80. CRGA recommended to Conference that it note the progress of discussions with Timor Leste on its potential membership of the Pacific Community.

AGENDA ITEM 4.2: POLICY ON MEMBERSHIP AND PERMANENT OBSERVER STATUS

81. Following the decision of CRGA 43 that a working group should explore new categories of associate membership and observer status, CRGA 44 requested that the secretariat develop, in consultation with members, an SPC Policy on Permanent Observer Status, setting out the criteria, admission procedure, rights and obligations of such status, and provide a draft of the policy to the 9th Conference of the Pacific Community for adoption. The Pacific Community Policy on Membership and Permanent Observer Status that has been developed for approval aims to provide a clear procedural guide to membership of the Pacific Community, in line with past decisions of Conference, and to permanent observer status. The guidelines that are proposed are the result of significant consultations and bring into one document the guidelines on what it is to be a member, permanent observer and ad hoc observer. The secretariat acknowledged the founding members who have provided guidance and legal analysis to ensure that the guidelines meet the requirements of a procedural document.

82. New Caledonia: New Caledonia congratulated the secretariat on developing a solution that allows for observers, without needing to amend the Canberra Agreement. The guidelines will allow SPC to operate openly and observers will enrich the quality of discussion.

83. France: France supported the recommendations, saying that permanent observer arrangements were in the organisation's interests.

84. Tonga: Tonga noted that this was a very important subject and commended the work done by the secretariat to allow permanent observers.

85. Guam: Guam enquired whether observer status would attract fees and also the reason for including provisions allowing permanent observers to be able to withdraw.

86. SPC: The DDG Noumea informed the meeting that the secretariat intended to negotiate a permanent observer contribution from applicants. According to the policy, the fee cannot be less than the assessed contribution of category 5 members. Additionally, while the term 'permanent' implies ongoing engagement, the policy includes withdrawal provisions for the sake of completeness.

87. United States: USA applauded the secretariat on the policy as it will enhance SPC's engagement and effectiveness.

88. RMI moved that the recommendations of the paper be accepted. The motion was seconded by Niue.

RECOMMENDATION

89. CRGA recommended to Conference that it adopt the resolution that will introduce the Pacific Community Policy on Membership and Permanent Observer Status.

AGENDA ITEM 5 – GOVERNANCE AND FOCUS OF THE EDUCATIONAL QUALITY AND ASSESSMENT PROGRAMME (FORMERLY SPBEQ)

90. In February 2015 a special meeting of the Pacific Board for Educational Quality (PBEQ) agreed that the name PBEQ would be retained and that the work programme would be named the Educational Quality and

Assessment Programme (EQAP). It was further agreed that PBEQ should become a specially mandated subcommittee of CRGA, retaining its advisory roles and all other functions. The principal functions of the subcommittee would include providing advice to SPC on national, regional and international developments in the areas of educational assessment, educational quality and related issues. It would also advise SPC on priority areas for its work, based on member states' and territories' needs and SPC's strategic plan.

91. It was further agreed that the governing body for EQAP would be CRGA and, ultimately, the Conference of the Pacific Community, and that the programme would be accountable directly to the Pacific Community Director-General. It was also agreed that the board's secretariat would be the Pacific Community's secretariat.

92. As CRGA has the ability and authority to mandate specialist subcommittees to carry out specific activities requiring specific skill sets and expertise, it was recommended that PBEQ would have a mandate to: (a) act as CRGA's proxy for governance of the EQAP programme; and (b) report to CRGA on any EQAP issues requiring its attention. It was suggested that, under this arrangement, PBEQ should act in an advisory capacity and provide its recommendations to the Director-General on awarding and accrediting the South Pacific Form Seven Certificate (SPFSC) and the Pacific Register of Qualifications and Standards (PRQS) on behalf of SPC, which is now the awarding and accrediting authority.

93. The meeting recognised that, as a subcommittee of CRGA, the powers of the former board would likely change to align with the CRGA structure. New terms of reference and a mandate reflecting the revised structure of CRGA would be required to define the role of the subcommittee and its function as advisory to the awarding authority, and its purpose, functions, accountability and membership. It was agreed that the board would retain its role in providing technical advice.

94. SPC: The DG noted that the paper was not about revisiting the decision of whether EQAP should be part of the SPC family, but about the need to streamline and regularise the merger of the former SPBEA with SPC. It was also about ensuring that EQAP would be able to continue to provide an essential service to its members.

95. Niue: Niue asked whether there was an opportunity to expand the proposed functions so that assessment is used to improve the quality of student outcomes, and also what the nature of the technical assistance will be.

96. SPC: The secretariat advised that the existing EQAP function will continue, i.e. to provide independent advice on building capacity to undertake assessment and how to use those measurements to improve outcomes in classrooms.

97. New Zealand: NZ noted that it was good to see a resolution around the governance arrangements. Given the subcommittee has quite a technical role, with a mandate to award qualifications, in drafting the terms of reference thought will need to be given to ensuring that the necessary expertise is available to the subcommittee. NZ looks forward to receiving the draft terms of reference for consultation and asked for clarification on how the change in membership from 11 countries to all SPC membership will affect service delivery.

98. Australia: Australia advised that as a contributing member, it has a strong interest in EQAP. It also asked about the expanded membership and access to EQAP services, given the new governance structure.

99. SPC: The DG advised that, in drafting the terms of reference, the secretariat will work to make sure that the skill requirements for the board are appropriate. He noted that there are some administrative details to work

through, but all members that already access the services will continue to have access to them. If any other members want those services, then the secretariat will discuss the financial contribution.

100. New Zealand moved that the recommendations of the paper be accepted. The motion was seconded by Niue.

RECOMMENDATIONS

101. CRGA recommended to Conference that it:

- i. approve the role and function of the Pacific Board for Educational Quality as a subcommittee of CRGA;
- ii. acknowledge and approve the new name of the programme, that is, the Educational Quality and Assessment Programme;
- iii. approve the awarding and accrediting authority of SPC;
- iv. authorise the development and adoption of a revised mandate and terms of reference for the Pacific Board for Educational Quality as a subcommittee of CRGA.

AGENDA ITEM 6

AGENDA ITEM 6 A: FRAMEWORK FOR PACIFIC REGIONALISM

102. CRGA was updated on the status of implementation of the Framework for Pacific Regionalism (FPR), the secretariat's submissions to the Specialist Subcommittee on Regionalism (SSCR) of the Forum Officials' Committee (FOC) in relation to the FPR, the recommendations of the SSCR on these submissions, and the Pacific Islands Forum Leaders' decisions on the recommendations (September 2015). SPC's proposals to the SSCR related to shipping, coastal fisheries, deep sea minerals, water and sanitation, Tobacco-free Pacific 2025, and food and livelihood security. Of these proposals, the SSCR recommended that two be presented to CRGA, one to Pacific Ministers of Transport, one to Pacific Ministers of Fisheries, and one to Pacific Trade/Economic/Health Ministers. SSCR recommended that the submission on deep sea mining be further worked on by PIFS and the secretariat for leaders' consideration at a later date and that a further two submissions (on the Pacific Youth Development Framework, and development of the organic sector) be referred to CRGA for consideration. The SSCR also suggested SPC should take up three further submissions with other regional and international agencies. The SSCR recommended that Forum Leaders consider the following five priorities that were submitted through the inclusive, public policy process: (a) increased economic returns from fisheries activity and maritime surveillance; (b) climate change and disaster risk; (c) information and communications technologies; (d) West Papua; and (e) cervical cancer screening and prevention.

103. Chair: The Chair opened the session for comments.

104. SPC: The DG said the morning session had commenced with talking about the challenges of working in the region. One of the most important tools to have come out of this issue is the Framework for Pacific Regionalism (FPR). The issue for SPC is how to make it work, and to ensure all the relevant parties are participating. The regional framework is in the early stages of implementation. It has implications for SPC that are important to share with members. A number of the submissions that went to the subcommittee were referred to the 'governing council of SPC'. The DG said he had already explained the challenges faced in delivering on these. There are a number of other areas of work that the secretariat thinks should have been selected. For the purposes of CRGA, the secretariat brings two issues for discussion: 1) the Pacific Youth Development Framework (PYDF) – as in other areas, SPC has spent a lot

of time developing, consulting and writing a good document, but there are no resources to get the work done; and 2) POETCom – organic agriculture, which is, in fact, the way Pacific farmers have always operated. The secretariat thinks there is merit in revisiting this issue and deciding a way forward for developing it.

105. PIFS: The PIFS representative commended SPC for putting up six submissions. The framework reflects Leaders' commitment to regional public policy and a key innovation has been to enable the public to put forward issues. PIFS received 68 public submissions, which were considered by the SSCR. They cannot be addressed by any single organisation. The upcoming CROP meeting in November will take forward policy issues endorsed by Forum Leaders. CROP agencies must remain engaged in the process and work together.

106. New Zealand: NZ indicated that it fully supports the FPR and acknowledged SPC's role. It congratulated SPC on its involvement in the first year of the process. One issue is the topics that SSCR has referred to regional meetings or ministerial meetings. The FPR is a priority-setting process, and recommendations do not necessarily come with resources. The framework should also be used to align existing work programmes with the priorities identified. There needs to be consideration about how priorities will be resourced, given limited budgets.

107. New Caledonia: New Caledonia thanked the secretariat for the presentation, and agreed with NZ that CROP agencies should take part in the FPR. However, members were not involved in the selection of the areas submitted to the process. To what extent did these submissions match the Strategic Plan, and how should they be resourced. The question now was whether the 68 submissions should be kept as they are, or whether some were irrelevant. A number of submissions were made by SPC, PYDF and POETCom. As the DG said, POETCom reflects the way farming is conducted in the Pacific, and New Caledonia would like to stress the importance of this submission, which should be the main priority of SPC's Land Resources Division.

108. Fiji: Fiji has not yet adopted the FPR and therefore reserved comment.

109. SPC: The DG said that the FPR is an important policy decision by Leaders that needs to be considered, challenged and implemented. It is clear for SPC that, as a large agency with a large mandate for implementation, it needs to participate. Ten members of CRGA are not formal partners of PIFS, and so have not been an integral part of the discussions on the regional framework. Many of the priorities in the FPR are consistent with the priorities that SPC has identified as an organisation. Members of CRGA who are not members of PIFS have said that they need space and time to consider the issues. Of the five priorities that were chosen, four are integral to SPC's priorities. The DG said there were 18 priorities referred to SPC, and SPC needs to consider them in terms of resources and prioritisation. SPC has an interest in many others. POETCom has 'financial difficulties' only insofar as it is project funded. The funding for this important project is coming to the end of the cycle but that is not the same as financial difficulties.

110. PIFS: The PIFS representative said FPR is a public priority-setting process. PIFS accepts that it is the first year of implementation, and there will need to be a constant evolution if the FPR is to be implemented effectively. With respect to the SSCR, they will need to apply rigour to future assessments for public calls for such submissions. Leaders also made a call for regional financing initiatives. This reflects how we as a region see financing for priorities highlighted by Leaders. Reference to other regional mechanisms and governing councils, a central part of the framework, is to empower regional mechanisms and governing councils to deliver effective services to members in accordance with mandates. It is for CRGA to consider those various submissions and to take decisions about those and priorities according to CRGA's existing mandates. There will be a second public call early next year, and the DG had suggested that this would be another opportunity to have issues such as POETCom considered, and linking it to other cross-cutting initiatives, such as food security or health.

111. France: France thanked the Pacific Community for adding this item to the agenda. As the DG emphasised, this item is a challenge for SPC that members need to address. The issue was raised when the French delegate underscored the importance of this in Port Moresby. The DG identified that SPC would need additional resources; the delegate requested that the DG indicate what these extra financial commitments might amount to.

112. Cook Islands: CI fully supported the regional framework and saw the issues raised as teething problems. In terms of governance and how CROP agencies work together, there was a finance side and a governance side. On the submissions from SPC to SSCR this year, the delegate said given that the EDF10 funded deep sea minerals (DSM), and we are waiting for this to go back to Leaders in 2016, will the secretariat be missing a potential opportunity to submit to EDF11? The question is important for small islands, such as CI.

113. SPC: The DG said in terms of DSM – yes the secretariat had put it up because it felt there was justification for a regional treaty on the issue of DSM. The DG said his SPC colleague, Dr Mike Petterson, and colleagues in other agencies had put together proposals, but the EU did not accept this priority. The secretariat believed it was important for the region, and saw value in progressing it. On the issue of additional work coming to SPC out of the recommendations, this would require resources that SPC does not have at present.

114. PIFS: The PIFS representative said PIFS is already in discussion with various agencies, including with SPC on DSM, with the intention that additional work will be carried out with a view to a proposal to the second call of SSCR. As the DG said, it should not impede this organisation seeking funding from other donors for this priority. The World Bank is doing work on DSM and they are in touch with SPC to do some additional work to secure the resources.

115. Australia: Australia strongly supported the FPR. SPC submitted a number of proposals, among which were many worthy ones. Of the five that went before Leaders, fisheries is fundamental to the Pacific and Australia is pleased to see that is proceeding and the roadmap for sustainable development of fisheries is part of the process. Australia looked forward to hearing the ‘new song’ for coastal fisheries.

116. Niue: Niue commented that all the priorities, including health related ones, were major undertakings and there was a need to be looking at the funding to finance them. The delegate said countries and territories need to consider where these priorities fit in with their own country work plans and that Niue understood the positions of non-PIFS members.

117. Samoa: Samoa fully supported the FPR but expressed some confusion about its implementation, its relationship to the SDGs, and how it tied into CROP. It was not creating a new regional institution. Rather, the technical and professional work needed to be carried out by SPC, FFA, SPREP, and so on. Facilitation of the implementation of the FPR was primarily the responsibility of PIFS, not of CROP. If CROP was going to create a technical capacity, we would end up with a model that does not work – like the Commonwealth and the Commonwealth Technical Secretariat. CROP, like SPC, is governed by members. Samoa did not think the Leaders were confused about this, but rather that members were confused about their roles.

118. Niue moved that the recommendations of the paper be accepted. The motion was seconded by American Samoa.

RECOMMENDATIONS

119. CRGA recommended to Conference that it:

- i. acknowledge the secretariat’s engagement in the Framework for Pacific Regionalism and the submissions made to the Specialist Subcommittee on Regionalism;
- ii. decide that the submissions on the *Pacific Youth Development Framework, and Organic Islands: Growing our future through organic and ethical trade* should be further analysed and presented to CRGA 46 for consideration;
- iii. urge continued efforts by the secretariat to make progress on the submissions to the Specialist Subcommittee, particularly those requiring the attention of Pacific ministers, and ask that their status be reported to CRGA 46;

- iv. recognise that SPC would require additional resources to implement leaders' decisions on regional priorities that are relevant to SPC, and urge that these resources should not be drawn from existing budgetary allocations.

AGENDA ITEM 6 B – STRENGTHENING COHERENCE THROUGH THE COUNCIL OF REGIONAL ORGANISATIONS IN THE PACIFIC (CROP)

120. Noting that CROP exists to ensure that regional organisations, including SPC, pursue their collective aim of achieving sustainable development in Pacific Island countries and territories in the most effective and efficient manner, CRGA was updated on issues relating to CROP cohesion in the report of the CROP Chair. The report highlighted issues including: strategically situating CROP within the FPR; strengthened regional coordination in engaging with external donors/financiers; and coordinated support to countries both regionally and internationally. The report also proposed several recommendations that later became the decisions of the Forum Officials Committee, as follows:

- a) Affirmed the important role of CROP agencies in the processes of the Framework for Pacific Regionalism.
- b) Affirmed the need for members to further explore opportunities to strengthen collective governance and financing arrangements.
- c) Encouraged CROP agencies to continue their coordinated engagement with external donors on regional priorities, including through the 11th European Development Fund, to encourage more effective and coordinated support for Pacific island priorities and minimise fragmentation of regional efforts.
- d) Acknowledged the strong leadership of CROP Executives in ensuring cohesive and effective technical assistance and policy support to Forum Island Countries throughout the international climate change, gender, oceans and post 2015 development agenda negotiations.

121. While the FPR (agenda item 6 A) process is still evolving, the limited engagement from CROP CEOs could be much improved. CEOs of technical agencies, including the Pacific Community Director-General, should be seen as the lead technical advisers in their agencies' areas of competence and should therefore play a stronger role in the Framework process.

122. A proposed study of regional governance and financing will serve to identify opportunities to strengthen the collective work of CROP. The proposed study will also take into account recommendations from the Pacific Community's governance review. It is anticipated that this study will require significant oversight by members, as it will examine how to strengthen regional policy cohesion and cooperation across CROP agencies, including through their governing councils.

123. Strengthened regional coordination in engagement with external donors and partners should become a key objective of CROP. At present, each agency individually approaches partners on available funding, with the result that they may be competing for the same pocket of funds at times. While, in theory, strengthened regional coordination would help remove this competition, it will require rigorous discipline by agencies to keep within their given mandates. It will also require increased trust among agencies to avoid situations where, once a decision on a particular issue or position has been taken collectively by CROP CEOs, an individual agency may undermine that decision by exploring alternative avenues that are not aligned with its previous commitment.

124. SPC: The DG said there had been several references to these issues throughout the day and clearly they required ongoing care and attention. He was mindful of the comments from the representative of Samoa and wished to emphasise that there had been no discussion on setting up any kind of secretariat for CROP. CROP is aimed at coordinating cooperation between regional organisations and is essentially made up of heads of regional organisations. But in reality, the heads of the various CROP agencies have trouble finding the time to get together. They are aware of the weaknesses of the mechanism and will continue to try to make it work.

125. Concerning the paper, the DG referred to the governance and financing review. He accepted the fact that under the framework process, agencies needed to be more efficient, and more effective. CROP agencies were experiencing difficulties in maintaining the capacity to respond to all the issues coming to them, so there was general concern with being more efficient in applying resources. The paper alluded to a review of working groups. The presence of UN agencies in the region was also relevant. The DG handed over to SPC's Director, Strategic Engagement, Policy and Planning Facility (SEPPF), who has been working on the TOR for the review.

126. SPC: The Director, SEPPF said the review was a collaboration between PIFS and SPC. The Pacific Plan Review recommended a review of governance and financing. The governance review tries to address potential overlap between agencies and areas where they are not working together as effectively as they could. It looks at the challenges of implementing the FPR, recognising the governance and financing mechanisms still need to be determined. To what extent can CRGA address these issues when most of SPC's funding comes from development partners who have their own agendas for their funding? The problem has sometimes been in responding to funding opportunities rather than to identified priorities. The funding review recognises that not all work fits into the regionalism sphere. An initial TOR was drafted. The recommendation was that the review would be deferred until early 2016. A new TOR was now being drafted and would be discussed at a meeting of CROP Heads in two weeks. One of the recommendations in the first TOR was to hold a meeting between CROP Heads to discuss how all of this could work better.

127. The Chair opened the floor for discussion.

128. New Zealand: NZ said it is excellent to see cooperation between the CROP agencies on the TOR and noted that in the future, working groups would need to take up the priorities of the FPR.

129. New Caledonia: New Caledonia stressed that members of regional organisations must set the conditions for sustainable development. Member countries do not have a fixed idea about who does what, but they need to cooperate, and to avoid duplication. It was vital for these organisations to work as harmoniously as possible. If two organisations can work together, other CROP agencies should also be able to. The delegate understood that the Pacific Islands Development Forum (PIDF) was not a member of CROP, so it was not clear why it was stated that PIDF was a potential competitor for funding.

130. SPC: The Director, SEPPF, said the five priorities were covered by one or more of the CROP working groups already. He said it was irrelevant that PIDF was not a CROP agency. The fact was everyone needed to contribute and participate. However, CRGA needed to recognise that such participation required resources.

131. Samoa: Samoa indicated it had a problem with recommendation iii of the paper, saying that whatever the head of a regional organisation does, it should be subject to the direction of the governing council of that body.

132. France: France said that the position of DG had well-established duties and delegations. The recommendation fell within these.

133. New Zealand: NZ offered to work with Samoa on some wording. It could be as simple as adding 'at an operational level' after 'CROP cohesion', and noted that the Director-General will report back to CRGA on any significant developments.

134. Chair: The Chair asked for a motion to adopt the recommendations, except for iii which would be discussed by the drafting committee.

135. Niue moved that the recommendations of the paper be accepted. The motion was seconded by American Samoa.

RECOMMENDATIONS

136. CRGA recommended to Conference that it:
- i. acknowledge the report of the Chair of the Council of Regional Organisations in the Pacific (CROP) and approve the recommendations of the report;
 - ii. reaffirm that the secretariat should continue working towards improved CROP coordination, while preserving the interests of the Pacific Community;
 - iii. note that management of CROP cohesion in relation to the Pacific Community rests with the Director-General, who will initiate requests to CRGA for guidance when faced with issues impacting the governance of the organisation;
 - iv. decide to actively participate in the study of regional governance and financing, ensuring adequate representation from Pacific Community members on any review team or working group;
 - v. urge that CROP agencies increase their efforts to improve cohesion with the aim of enhancing service delivery to member countries and territories.

AGENDA ITEM 7 – PRESENTATION OF THE PACIFIC COMMUNITY STRATEGIC PLAN 2016–2020 (*Closed session for CRGA members only*)

A special session of CRGA met on 1 November 2015 to make final recommendations to CRGA on the draft Pacific Community Strategic Plan 2016–2020 and its implementation.

136. Chair of the Special Session (RMI): The Chair said that this was a closed session, for members only, so they could air their views about the plan that will guide the work of the secretariat for the period 2016–2020. He noted that CRGA 44 had recommended the formation of a Strategic Plan subcommittee, including the EU as a stakeholder. The subcommittee consisted of 12 member countries (RMI (Chair), Australia, Cook Islands, Federated States of Micronesia, Fiji, France, French Polynesia, New Caledonia, New Zealand, Samoa, Tonga, United States of America) as well as a representative of the EU and three senior officials of the secretariat. An internal working group in SPC assisted and managed the development of the Strategic Plan, including consultation and inputs.

137. CRGA was also asked to evaluate the recommended establishment of a new subcommittee to monitor the implementation and ongoing relevance of the plan – CRGA Subcommittee on Strategic Plan Implementation. The draft terms of reference for the subcommittee and its scope and membership would be discussed.

138. SPC: The DG thanked members for giving their time to the Strategic Plan subcommittee and acknowledged the excellent work of the subcommittee, particularly the Chair, RMI.

139. He said the plan was formulated at a time of complex challenges, globally and in the Pacific. It was an opportune time for a new plan as the global community moved towards a new framework of sustainable development through the Sustainable Development Goals (SDGs). The Strategic Plan is deliberately framed as a concise, high-level document. The SPC results framework and divisional/team business plans will align with the plan. It was the first time a CRGA subcommittee had participated in the development of a strategic plan for SPC from inception to refinement.

The Strategic Plan is a plan for the whole Pacific Community – members and secretariat – and both have joint responsibility for delivering the stated objectives and results. The Strategic Plan’s vision is the same as that of the Framework for Pacific Regionalism set by Pacific Leaders, enabling SPC to contribute to a more effective regional architecture. The plan focuses on increased effectiveness in supporting members to achieve their development priorities; understanding members’ needs and unique cultures; and ensuring the secretariat has the skills to deliver on priorities. It is intended to be a living document underpinned by a strategic results framework.

140. SPC: The Director, SEPPF, said there had to be a strong connection between the Strategic Plan, the strategic results framework, and budget priorities. The next steps were: development of the Strategic Results Framework and the 2015 Programme Results Report to be presented at the June 2016 CRGA meeting; finalisation of divisional/team business plans early in 2016; and the recommended creation of a CRGA Subcommittee to monitor implementation of the Strategic Plan (draft TOR were attached for discussion and approval).

141. Chair: The Chair noted that great efforts had been made in the Strategic Plan development process to ensure all views were considered adequately and opened the floor for discussion.

142. New Zealand: NZ noted that adopting the use of the proper name, ‘Pacific Community’ created problems with legacy references to SPC, the secretariat, and members – so it was important to be clear and consistent about which entity was being referred to. NZ agreed with the gender mainstreaming amendment proposed by Australia (point i (a) of the recommendations) and said areas of excellence should be based on evidence. Seeking further efficiencies was important as a strategic objective.

143. Samoa: Samoa thanked the DG and the secretariat for the development of the Strategic Plan, and the approach of increasing engagement with members. As a result, members had greater ownership and pride in the plan. The consultations and discussions that went into its preparation were robust, cooperative and collaborative and it was one of the best documents of its kind that the delegate had seen. On the point on gender mainstreaming, Samoa supported that, but would like to ensure that mainstreaming did not take away from the focus of the Social Development Division on gender, culture and youth. Referring to page 6 of the plan, the delegate expressed concern about goal 1.5 in relation to improving multi-sectoral responses to climate change and disasters. Samoa had indicated earlier concern about this, acknowledging that Samoa participated in the Strategic Plan development process. The delegate said Samoa’s mandate from the Samoan Prime Minister was to ensure no duplication or repetition of the work of CROP agencies, and suggested that goal 1.5 breached the mandate given to SPREP. Samoa’s proposal in this respect would be to amend the text of goal 1.5 to read: ‘multi-sectoral responses to climate change and disasters, *in specific areas of SPC’s mandate*’.

144. Solomon Islands: Solomon Islands congratulated the DG and the team that developed the Strategic Plan and endorsed it as the Pacific Community’s navigation chart.

145. New Caledonia: New Caledonia thanked the secretariat for the work done on developing the Strategic Plan. New Caledonia was part of the subcommittee and it was a participatory process that enabled members to come up with potential solutions. It was extremely important to establish the connection between the Strategic Plan and governance arrangements and it might be productive to expand the TOR to include governance arrangements. The question is: Have SPC activities had an impact in countries? The monitoring of the Strategic Results Framework will require deeper involvement of members. They must commit to providing data in a harmonised way to enable similar

monitoring processes in member countries. New Caledonia made a further suggestion regarding the format of the Strategic Plan, saying it should also be possible, with the new communications function at SPC, to come up with a number of documents derived from the Strategic Plan, so that all levels of people could understand it – journalists, the private sector, the public, and so on.

146. Tuvalu: Tuvalu supported the plan and looked forward to its implementation, but raised the issue of promotion of parliamentary democracy. In past years, there had been meetings of speakers and parliamentarians under the auspices of SPC. This was important in supporting political stability. The delegate asked if it was still a relevant part of SPC's work.

147. SPC: The DG noted that may have been the case in pre-Forum times, but it was clearly a politically related role, and was not part of what SPC does. He undertook to direct the request to the Forum so they could examine the issue.

148. French Polynesia: French Polynesia fully supported the Strategic Plan but regretted that the role of Deputy Director-General, Programmes was removed and asked how SPC will deal with the absence of the position and the reporting of divisions.

149. SPC: The DG said there were cost savings in reducing the number of DDGs. He indicated that all programme staff in Suva will report to the DDG in Suva. Further, one of the two DDGs will be given the role of convenor of programmes. The role of DDG Programmes was a good idea out of the Independent External Review (IER), but in practice had not worked well, so there were cost savings in seeking to achieve the same goal in another way.

150. Papua New Guinea: PNG had no objections to the plan. It would be helpful if the plan could be aligned with PNG's domestic priorities, for example, in the areas of fisheries, drought and food security.

151. Solomon Islands: The delegate asked how the membership of the subcommittee would be determined.

152. New Zealand: NZ commended the Strategic Plan, and was supportive of its intent. A couple of issues that had been brought up by the meeting raised the question of whether the subcommittee would have a sufficient mandate to oversee the implementation of the plan. Delivering on that intent was an important issue that might be best addressed through the TOR for the subcommittee.

153. France: France commended the Strategic Plan as submitted. It was likely to provide support to Pacific Island countries and territories (PICTs). As mentioned earlier by others, France believes that a cross-cutting approach is vital. There should be cooperation between the different divisions of SPC, and this should be enhanced further in years to come. In the process and selection of the new DDG in Suva, it is necessary to identify a candidate that has many qualities, as that person will need to engage with Fijian authorities. They will need highly developed management skills, and the highest level of scientific skills. They will need to promote the cross-cutting approach. France stressed the importance of choosing the right person for the position.

154. Niue: Niue said the DG and executive team had done a very good job in developing the Strategic Plan. Niue was finalising its own strategic plan, which is for a prosperous Niue. It was necessary to have a budget to implement the plan and this plan could be a basis on which to go to development partners to seek funding. Equally important was the results framework, and the structure for monitoring and reporting to members and CRGA.

155. American Samoa: American Samoa acknowledged the hard work of developing the plan, and accepted it. It was a very well put-together document and American Samoa hoped 'we can execute it as well as we put it together'.

156. French Polynesia: French Polynesia thanked the DG for his very clear explanations and suggested attaching the new structure chart to the Strategic Plan.

157. SPC: Addressing the recommendations and interventions made, the Director, SEPPF, said a further edit to the plan was needed to address Samoa's proposal. There were some other points related to the communication of the plan (New Caledonia). These issues will be dealt with in the business plans of the SEPPF and communications areas and will be approved by the subcommittee. The structure could be attached to the plan, bearing in mind it is a five-year plan.

158. Samoa: On page 10 of the Strategic Plan, in paragraph 1 under 'Priority setting', Samoa recommended including the SAMOA pathway/ SIDS, which referred specifically to regional priorities.

159. New Zealand: NZ proposed taking some wording from the diagram to highlight prioritising cross-cutting approaches.

160. Australia: Australia supported this proposal.

161. The Chair requested that the members of the Pacific Community Strategic Plan Subcommittee consider the composition of the new subcommittee and make recommendations to CRGA.

AGENDA ITEM 8 – PRESENTATION OF THE PACIFIC COMMUNITY STRATEGIC PLAN 2016–2020

162. Chair: The Chair opened the meeting.

163. SPC: The Director, SEPPF, noted that five additional amendments and edits had been raised by members yesterday.

164. Kiribati: Kiribati acknowledged the great work that had been undertaken by the subcommittee and the secretariat, and supported the Strategic Plan. Kiribati hoped that the programming approach under this plan was closely linked with the country programmes. Kiribati also recognised the financing issues, and said while Kiribati has

had issues with financial capacity, it always budgets for its SPC contributions. It welcomed the goals to strengthen collaboration with countries and the intention that the development priorities of countries are addressed. Kiribati also acknowledged that the sustainability of impacts on the ground is a national responsibility and is working on coordination at the national level and with SPC and other agencies providing services to the country.

165. Tokelau: Tokelau thanked the government of Niue for its efforts and preparations in hosting the meeting and thanked the DG, management team and staff, and acknowledged the work of the subcommittee. Tokelau supported the recommendations and endorsed the plan.

166. Tonga: Tonga commended the work of the secretariat and the subcommittee. Tonga was honoured to serve as a member of that subcommittee, and to ensure success in implementing the plan, it also supported the new implementation subcommittee. Tonga supported the recommendations of the paper.

167. Niue: Niue supported the recommendations, noting the remaining issues of determining the composition of the monitoring subcommittee and development of a results framework.

168. Australia: Australia fully supported the plan and the process, including the implementation subcommittee.

169. Cook Islands: Cook Islands was a member of the subcommittee and appreciated the work of the subcommittee and its chair. Cook Islands endorsed the plan and looked forward to the implementation phase, noting the need for a good results framework that listed firm and measurable outputs, with linkages to the country level. There should also be a very strong performance framework on top of that results framework. Cook Islands would like to see how SPC linked priorities to the budget.

170. Chair: The Chair noted the outstanding matter of the composition of the CRGA subcommittee.

171. New Zealand: NZ said the working group would meet before the drafting committee meeting and would report back by the end of the day.

172. Chair: The Chair suggested the recommendations could be adopted with the composition of the subcommittee to be confirmed later.

173. RMI moved that the recommendations of the paper be accepted. The motion was seconded by American Samoa and Guam.

174. An interactive session on the Strategic Plan followed, led by the Director, SEPPF. The session explored cross-cutting areas and interaction between operational areas, using an example of work relating to fisheries and youth, which was presented by the directors of the FAME, Public Health and Geoscience Divisions.

175. The meeting then broke into groups (PICTs and development partners) to discuss the following questions before presenting their feedback.

Questions for PICTs (Pacific Island countries and territories):

In order that SPC will be able to prioritise its work according to the priorities of the Strategic Plan and to be effective and of most value to you, what will you do differently to ensure SPC:

1. Understands your key national priorities and your context
2. Understands the regional priorities that are most important to you
3. and that your key representatives in country better understand SPC's expertise and the priorities of the Pacific Community's Strategic Plan

Questions for development partners

In order that SPC will be more effective, flexible and responsive to regional and national priorities of PICTs, what will you do differently to ensure:

1. There is alignment between reporting requirements
2. That SPC is supported to not just deliver programmes but to continually learn and improve
3. That SPC is led as much as possible by the priorities of the Strategic

176. PICT Group 1 (RMI): Member countries need to start communicating their national strategic plans to SPC with national and regional priorities, some of which have come out through the FPR. There is a need to strengthen national coordinating mechanisms to allow the free flow of information and services between SPC and PICTs as well as between PICTs. The group suggested that nationally implemented projects are happening to coordinate activities in country. Members that do not understand national priorities and are having difficulty in connecting their needs through a national mechanism should feedback to SPC. The group noted the difficulty of multiple visits from multiple entities.

177. PICT Group 2 (Kiribati): Q1: the need to increase and strengthen coordination – it is important for us to have an understanding of where we are in relation to priorities. Coordination is necessary at the national level, to understand our priorities. We need to recognise that it is important for regional and development partners to coordinate themselves, and not to duplicate. Q2: The important issue of data – it is important that we have improved data and statistics systems. Q3: The model of the 'three Cs' helps here with CROP coordination. There is a need to link national with regional priorities. Improved communication – we need to increase mass media and orientation.

178. PICT Group 3 (Solomon Islands): Q1: Members have national development strategies and this is the document that they will use to feed into the national development plans. We need to look to have more MOUs with SPC. Q2: Since all priorities are different it is important to reference priorities against regional and global frameworks

(e.g. the SIDS SAMOA Pathway). Q3: Reiterated the 'three Cs' – CROP coordination. The importance of communication – members rely on representatives who attend SPC-related meetings.

179. SPC: The Director, SEPPF, noted that SPC produces a work plan every year for every country and prepares a report on each country.

180. Development Partners Group 1: Q1: There are large international efforts, e.g. OECD DAC, around the coordination of reporting requirements. Look at a whole-of-region approach for regional reporting. All donors said they were happy to share experiences in this area. Q2: There is a lot of donor support for sharing lessons learned, through monitoring, evaluation and learning (MEL). There is a lot of positive feeling through that. SPC as a whole needs to make MEL work. Q3: There needs to be a bigger conversation going forward. As we finalise the Strategic Plan, it is incumbent on all members to take out and internalise the plan. This is important to reporting and to securing future resources.

181. Development Partners Group 2: It is easier to utilise SPC's own reporting systems – we should be willing to look at how we make it easier for SPC to report. Q2: Core funding, to be led at the DG level. SPC has evaluation officers in some of the divisions, and can look to expand that to all of the divisions. On the project side, MEL is built into most projects. It is incumbent on SPC to make an effort to improve how MEL is done and feed back to learning processes. Q3: Some donors were a bit more flexible about providing resources for SPC; others had stricter requirements. SPC should hold the line in asserting what members have agreed to.

182. Samoa: Samoa congratulated the subcommittee and the secretariat on the Strategic Plan which would assist Samoa and would be adjusted to suit local conditions. The delegate noted that Goal 2 of the Strategic Plan includes improving multi-sectoral responses to climate change and disasters. The main documents that will guide the work under this goal will be the Strategy for Climate and Disaster Resilient Development in the Pacific (SRDP). He noted that the mandates for both SPREP and SPC in this regard expire at the end of the year, and that the next Forum meeting would be asked to endorse the new SRDP, once work had been done to address Tuvalu's and Samoa's issues. Samoa will raise this issue at the Conference and requested a briefing from the secretariat on the status of the draft SRDP.

183. SPC: The DG noted that observers from SPREP and PIFS were both present, and suggested that the three agencies work together to try to provide a short presentation updating progress on the SRDP.

184. Chair: The Chair noted the meeting had endorsed the Strategic Plan to be taken to Conference and now awaited the working group's confirmation of the subcommittee composition.

RECOMMENDATIONS

185. CRGA recommended that Conference:

- i. approve the draft Pacific Community Strategic Plan 2016–2020 as submitted, and as edited (in accordance with discussion between members) to reflect requests to:
 - a. clarify the role of the secretariat within the Pacific Community;
 - b. emphasise and prioritise the mainstreaming of social development (gender, culture, youth and human rights);

- c. base further 'areas of excellence' on appropriate evidence and in consultation with CRGA;
 - d. pursue further internal effectiveness and efficiencies;
 - e. recognise that in respect of climate change SPC should work in areas within SPC's mandate.
- ii. establish a CRGA Subcommittee on Strategic Plan Implementation to assist CRGA's governance role in overseeing the implementation of the Strategic Plan and to provide regular opinions and advice to CRGA (terms of reference for the subcommittee are attached);
 - iii. direct the secretariat to call for nominations to the CRGA Subcommittee by the end of November 2015. Ideally the subcommittee's membership will represent the composition of the organisation, in particular to include the following constituencies: Melanesia, Micronesia, Polynesia, metropolitan members and French-speaking members.

AGENDA ITEM 9 – OPERATIONS AND MANAGEMENT DIRECTORATE REPORT

AGENDA ITEM 9.1 A: AUDIT AND RISK COMMITTEE REPORT

(Paper presented by the Chair of the ARC)

186. The SPC Audit and Risk Committee's (ARC) report on its work in 2015 stated it was confident that recognition and acceptance of the importance of probity, sound policies and strong financial management and control were well established in SPC. The report noted that, with the support of the appointed consultant, satisfactory progress had been made in strengthening the secretariat's policies and procedures for procurement, cash management and investment, foreign exchange management, consultant engagement, travel management and approval, and grant management. Further work will focus on strengthening the areas of asset management, information technology governance and control, and business continuity and disaster recovery. There had been plans to present SPC's 2014 accounts using the International Public Sector Accounting Standards (IPSAS), but the work had proven to be more complex and time-consuming than anticipated, and it was decided to defer the transition to the IPSAS format to the 2015 accounts. The EU's 'seven pillar' assessment of SPC's systems and procedures, with implications for the management of EU funds by SPC, showed that SPC was compliant with EU requirements in four assessments, but was considered not to have met the requirements in three further assessments. SPC has strengthened its policies to address some of the weaknesses identified and the EU has undertaken to provide a consultant to work with SPC to provide a road map to enable it to address any further requirements. The committee expressed its appreciation for the support it has received from the DG, DDG (OMD) and the senior management team at SPC.

187. The Chair of ARC noted that SPC's size, resources, and scope of work exposed it to significant risks, financial and non-financial. He drew CRGA's attention to the fact the ARC considers that under-investment in ICT is a very real risk facing the organisation. The ARC is satisfied that risks are being addressed by management.

188. France: France advised that it would welcome receiving translations of the budgetary papers as soon as possible so that its experts in finance in the Foreign Affairs Ministry could examine them. It requested that SPC implement the IPSAS as that would make interpreting the financials much easier. France also noted that while it provides SPC with a voluntary contribution, it also provides 18 per cent of EDF11 funding. France requested more information on the EU seven pillar assessment.

189. New Caledonia: New Caledonia regretted that the consultancy company appointed was not able to carry out all of the 2015 work plan and supported the recommended actions to address the situation. New Caledonia would be happy to provide advice from the perspective of the countries affected by grants and how the issues could be overcome. It requested further information on the seven pillar assessment and whether there would be any impact on SPC's ability to receive funds. New Caledonia also requested more information on the financial investment required to overcome the IT issues.

190. SPC: The DDG (OMD) advised that next year the accounts will be presented according to IPSAS. This was part of ongoing work with Ernst & Young. The DDG also noted that in the seven-pillar assessment, SPC met four of the seven pillars. It did not meet those relating to procurement policies, grant management or sub-delegations. For grant management and sub-delegations, SPC had acceptable policies but because SPC had not had to use the policy, it was unable to demonstrate that the policies would be applied in practice. On procurement, initially the organisation was awarded a 70 (pass mark), but then it was reduced to 69. SPC has an excellent relationship with the EU and the EU has assured SPC there will be no impact on funding. SPC is working with the EU to ensure all of the requirements are met by mid-2016. An internal ICT study has developed a five-year funding proposal costing USD 7 million over five years. SPC has begun discussions with its funding members and some donors, and will produce a report on how it can implement this proposal as part of the 2016 budget.

191. New Zealand moved that the recommendations of the paper be accepted. The motion was seconded by Niue.

RECOMMENDATION

192. CRGA recommended that Conference note the report from the Chair of the Audit and Risk Committee.

AGENDA ITEM 9.1 B: RENEWAL OF THE AUDIT AND RISK COMMITTEE

193. The Audit and Risk Committee was appointed by CRGA 42 for a three-year term, from October 2012 to December 2015, with a similar tenure of three years for committee members. The committee has met regularly over this period and provided valuable guidance to the secretariat, while at the same time developing in-depth insight into SPC operations. For reasons of continuity and quality of advice, the secretariat therefore requested that CRGA consider reappointing the current committee members for a further three years.

194. SPC: The DDG (OMD) introduced the paper, noting that the ARC term was expiring at the end of the year.

195. New Zealand: NZ was in favour of the recommendation and thanked the committee for its great work and the excellent report that had been presented. It raised a concern in terms of succession planning and whether there should be a sliding scale for replacement of committee members, so that all institutional knowledge is not lost as a result of all members leaving at the same time.

196. New Caledonia: New Caledonia supported the recommendations and agreed with NZ's comments.

197. Samoa: Samoa thanked the committee for the report and the quality of its work. It also supported the recommendations and NZ's comments. Samoa noted that its representative on the committee is running for office in March next year, and this is something the committee should be informed about.

198. Niue: Niue thanked the committee and noted the challenges of members participating in multiple committees.

199. SPC: The DDG said the suggestion on succession planning would be taken on board and noted the possible change in status of the Samoan representative. He said the secretariat could prepare an out-of-session paper to the committee on a possible successor, taking into account succession planning.

200. RMI moved that the recommendations of the paper be accepted. The motion was seconded by Niue.

RECOMMENDATION

201. CRGA recommended that Conference reappoint the current Chair of the Audit and Risk Committee for a further three-year term, and note CRGA's decision to reappoint the two other members of the Audit and Risk Committee for the same term.

AGENDA ITEM 9.2: FINANCIAL YEAR 2014 ACCOUNTS AND UPDATE ON ASSESSED CONTRIBUTIONS

202. The audited 2014 SPC financial statements and audit reports, and an update on the status of membership contributions, were presented for the consideration of CRGA. In financial year 2014, for the 19th consecutive year, the records for both SPC's overall finances and the Staff Provident Fund received unqualified audit opinions. As at 1 November 2015, 17 of 26 members had settled their assessed contributions. CNMI had asked for a delay in its repayment plan because of the impact of the recent typhoon. The secretariat drew CRGA's attention to the fact that membership contributions were still more than USD 3 million in arrears, which significantly impacted SPC's budget and limited its flexibility.

203. RMI: RMI noted that its budget had just been passed and its contribution would normally be paid after the budget was passed.

204. Kiribati: Kiribati congratulated SPC on getting an unqualified audit opinion, and confirmed its dues were up to date.

205. New Caledonia: New Caledonia agreed with the recommendations, but noted a mistake in the table in relation to its dues.

206. SPC: The DG emphasised that arrears are a major issue for SPC, saying it is not credible to seek new sources of funding when membership money is outstanding. He commended Nauru for following its repayment plan. He noted that the situation for CNMI was very challenging, and that SPC had been in constant communication to get some resolution. CNMI continues to receive assistance from SPC; for example, SPC's Public Health Division provided post-disaster support.

207. American Samoa moved that the recommendations of the paper be accepted. The motion was seconded by Niue.

RECOMMENDATIONS

208. CRGA recommended that Conference:

concerning the 2014 financial statements:

- i. accept the 2014 audited financial statements as unqualified, and as presenting a true and fair view of the financial position and financial performance of the Pacific Community and of its Staff Provident Fund, and note that proper accounting records have been kept;

concerning the status of assessed contributions:

- ii. acknowledge the significant efforts made by many members;
- iii. request those members with outstanding contributions, in particular those with arrears, to settle these as early as possible;
- iv. request members in financial difficulty to agree on a payment plan with the secretariat.

AGENDA ITEM 9.3: 2015 REVISED BUDGET AND 2016 PROPOSED BUDGET

209. SPC's revised budget for 2015 and proposed budget for financial year 2016 were presented for consideration and endorsement by CRGA. The revised 2015 budget was a balanced budget, totalling 113.978 million CFP units, comprising the core budget of 26.57 million CFP units and programme and project funding of 86.796 million CFP units in income and expenditure. A contribution of 605,000 CFP units was made to balance the revised 2015 budget, based on the CRGA 43 authorisation to use 688,000 for that purpose. Overall, the 2015 revised budget reflects a small increase of 3.027 million CFP units, or around 2.7% compared to the original budget of 110.951 million CFP units. A balanced budget of 93.39 million CFP units was proposed for 2016, comprising a core budget of 26.986 million CFP units and programme and project funding of 66.404 million CFP units. This is a significant decrease from previous years due mainly to a gap between the end of cycles of project funding and the start of new cycles (e.g. EDF11). CRGA's attention was drawn to a projected deficit of 2.597 million CFP units in 2017 and 3.818 million CFP units in 2018. To balance the 2016 budget the secretariat was able to cover a deficit of 1.2 million CFP units by means of internal cost savings across technical divisions and operations and management. The secretariat has also been able to contribute funding to strengthen SPC's reserves in the 2016 budget, in response to previous requests from CRGA to address the level of reserves, and as a matter of corporate responsibility.

210. The secretariat is committed to addressing the projected budget deficits and to raising the resources necessary to fund initiatives under the Pacific Community Strategic Plan 2016–2020, together with any new or emerging priorities. The recruitment of a new Director of Finance and the implementation of sustainable financing initiatives over the next three budget cycles are part of its strategy to ensure that SPC's financial systems and levels of funding are fit for purpose and available for the priorities on which the organisation will focus.

211. SPC: The DDG noted the key definitions used in the budget, including that 'core funding' is considered funding the secretariat has absolute discretion to allocate. This funding is not time bound or tagged to a particular project. This uniform definition will improve the ability to control core forecasting. Only assured funding is included in

the budget, and the secretariat is waiting for advice on Guam about its contributions, so they are currently included at the 2014 level. Also, host country grants increases are being negotiated and the secretariat is undertaking savings measures, including travel reductions, salary savings and reduction in allocations to divisions. The DDG noted that the budget is balanced, but that there are only 70,000 CFP units of leeway for activities. There is no discretionary funding for ICT, monitoring and evaluation, or for the Strategic Plan. The DDG noted the recommendation seeking permission to pull 600,000 CFP units from the reserves; however, the secretariat requested that the committee consider authorising 1.2 million CFP units. This would still leave the reserves at current levels, and would meet the targets set by CRGA. Permission is needed to use these reserves due to the requirements of the International Public Sector Accounting Standards (IPSAS); in the past, the money could have been rolled over.

212. New Caledonia: New Caledonia would like a solution from Fiji and FSM on their host country contributions. New Caledonia's contribution may seem generous, but it is the same amount of money – it is just paid differently.

213. SPC: The DDG noted that New Caledonia's contribution has moved from a voluntary contribution to an ongoing permanent contribution, which is extremely important and allows the organisation more flexibility.

214. New Zealand: NZ noted that the new Strategic Plan is the road map for SPC. It would assist if there was more information on what is new and what will cost more in comparison to what SPC has already budgeted for.

215. United States: USA considers that the Strategic Plan adds a new layer of discipline, focus and prioritisation. However, reserves are reserves for a reason and USA is concerned that this request may become a regular occurrence.

216. France: France is pleased that IPSAS will be implemented next year and that a new CFO has been recruited. France requested clarification on the wages bill.

217. SPC: The DDG noted that it is the intention that drawing on the reserves will be a once-off action. It is an up-front investment in the Strategic Plan. In 2016 there will be a prioritisation process as part of the budget. Areas of additional investment include: strengthening programming and recruiting staff to assist with integrated programming; increasing monitoring, evaluation and learning; and increasing ICT capacity. While cost recovery is being implemented, drawing on the reserves will allow seed funding for these projects. Advice will be provided to France on the wages bill.

218. SPC: The DG noted that as part of implementing the Strategic Plan, detailed business plans will be developed. This will occur over the next few months and will link with the new financial strategy for 2016. An additional activity that may have a cost is increasing SPC's strategic presence in countries.

219. Cook Islands: Cook Islands asked whether SPC was using reserves to balance the 2015 and 2016 budget and also enquired about the strategy to build up the reserves.

220. SPC: The DDG said that reserves were not being used to balance the budget.

221. France: France advised that it would be supportive of 600,000 CFP units being withdrawn from reserves, but not 1.2 million CFP units.
222. Guam: Guam said it would provide a formal response on its position to the secretariat soon.
223. Fiji: Fiji noted that its budget was being considered at the end of that week, and it then would be able to have further discussions about the host country contribution.
224. SPC: The secretariat proposed that the recommendation stay as is (i.e. 600,000 CFP units being drawn down). For any further funding, a full business proposal will be brought to the next CRGA.
225. RMI: RMI noted that there are challenges for the secretariat that require increased financial support. It also asked for further information on the formula for host country agreements so that RMI can influence its northern neighbour.
226. Niue: Niue advised that it would be happy to support the 1.2 million CFP units being drawn from the reserves, but would support the consensus. It was very positive to see cost-cutting measures, and Niue looked forward to the design of the 2016 budget.
227. New Zealand: NZ agreed to endorse the recommendations as originally drafted, and would look forward to a revised proposal at the next CRGA.
228. Samoa: Samoa endorsed the recommendations in full, and noted that it now pays a host country contribution to SPREP.
229. Cook Islands: Cook Islands agreed to endorse the recommendations, but asked for more detail in the 2016 budget on the plan to build the reserves.
230. American Samoa: American Samoa accepted the recommendations.
231. SPC: The DDG noted that the host country contributions are set on the basis of negotiations between SPC and the host country. The study on the benefits of hosting an SPC office showed there are significant economic advantages. SPC would appreciate any influence RMI may have in encouraging FSM to pay its host country contribution.
232. Niue moved that the recommendations of the paper be accepted. The motion was seconded by RMI.

RECOMMENDATIONS

233. CRGA recommended that Conference:

- i. note the revised 2015 budget;
- ii. approve the proposed budget for financial year 2016;
- iii. approve the secretariat's request to use 600,000 CFP units from reserves to fund priorities and initiatives under the new Pacific Community Strategic Plan in 2016;
- iv. recognise the serious budgetary situation for 2017 and 2018;
- v. acknowledge the positive efforts made by the secretariat to strengthen SPC's reserves;
- vi. approve the secretariat's plans to further develop and fully implement a sustainable financing strategy, including cost recovery and priority setting mechanisms, over the next three budget cycles and thereafter as a matter of course.

AGENDA ITEM 9.4 A: COUNCIL OF REGIONAL ORGANISATIONS OF THE PACIFIC (CROP) – TRIENNIAL REVIEW 2015

234. Four members of CROP (Forum Fisheries Agency [FFA], Pacific Islands Forum Secretariat (PIFS) Pacific Community [SPC] and Secretariat of the Pacific Regional Environment Programme [SPREP]) have adopted a 'harmonised' approach to their remuneration principles and practices, with triennial reviews of these principles and practices, including terms and conditions, for positions advertised internationally. The CROP triennial review for 2015 was conducted by AON Hewitt. Its recommendations included establishing a separate banding structure for CEOs that reflected the size of the organisation and scope of the role; the use of bonuses for high performing staff; extension of the current reference market used to set remuneration for internationally recruited staff; and a change in the reference currency from SDR to a new currency, for example, the US dollar.

235. The issue of remuneration governance was also included in the triennial review, which recommended the establishment of a joint subcommittee of CROP governing bodies to support and facilitate recommendations and decision-making in relation to implementation of CROP harmonisation.

236. However, given the need to ensure that SPC's governing body retains control over SPC-related remuneration issues, the secretariat proposed that CRGA approve the creation of a remuneration standing committee for SPC. This body, to be made up of a small group of members and assisted by the secretariat, would have the task of examining major remuneration and CROP harmonisation issues, and providing advice to the secretariat, CRGA and Conference when appropriate. If approved, the secretariat will propose terms of reference for the subcommittee for approval at CRGA 46.

237. The Chair opened the session for comments.

238. SPC: The DDG said the CROP Triennial Review is carried out by an external provider who looks at coordination and harmonisation between the four agencies in regard to remuneration. The recommendations that the secretariat proposed in this agenda item have been supported by the agencies. These are: a separate band 19 for the SPC DG (the current role has been calculated as band 19 by Strategic Pay). The secretariat looks to retain the principle of harmonisation, but to update the principles that guide it, to ensure that the secretariat has a balance, recognising the differing size and mandates of the organisations. The secretariat advocates extending the reference market for internationally advertised positions. SPC is asking to increase the scope of its reference market to include the United States of America and organisations under the International Civil Service Commission, noting that SPC does not compete with SPREP and PIFS in recruiting staff, but rather with UN agencies and other international NGOs. SPC is also asking to move the reference currency from SDR to the US dollar or the Euro. This would enable SPC to advertise internationally in an international currency, as do other international agencies.

239. New Zealand: NZ noted the work done by the Forum Officials Committee (FOC). This committee has met on a number of occasions to look at the remuneration of PIFS and the Triennial Review. The report is not finalised, but one of the recommendations is to establish an inter-CROP committee, which would have a governance role. It would not mean that everyone needs to do the same thing, but that there would be discussions around the main issues, and the important recommendations to come out of the Triennial Review. A significant number of SPC members have agreed to the formation of an inter-CROP committee. NZ suggested deferring many of the recommendations to allow for a coordinated conversation to take place in this other proposed forum.

240. USA: USA agreed with New Zealand's comments, and said there was much that was unclear that needed to be clarified in the paper. USA is happy to update conditions, but this needs to be based on data and argument. We need to consider the purpose and rationale, what we are trying to do, the question of mobility between agencies, and other issues.

241. New Caledonia: New Caledonia said the document was complex and it considered that the different recommendations deserved to be adopted separately. CROP harmonisation was a recurring theme every year. New Caledonia would welcome a more flexible system, noting SPC has endeavoured to retain staff, which New Caledonia welcomes. However, if NZ believed the inter-CROP committee could be a 'magic bullet', then why not try that approach. New Caledonia endorsed the widening of the reference markets.

242. RMI: RMI said the issue needed careful consideration, especially given the resources and capacities of member countries. All CROP agencies were trying to meet a certain standard for compensation packages, and RMI was concerned this might eventually become a burden for member countries. RMI was also mindful there was no 'one-size-fits-all' for CROP agencies, while noting that improved coordination and collaboration was important. RMI supported an inter-CROP working group to look at ways that would assist agencies to meet their goals within available resources, taking into account the differences between them.

243. SPC: The DG said the secretariat totally supported a consistent approach that included some allowance for flexibility. He said that an inter-CROP committee could have value if it was able to make recommendations to particular agencies. However, it was important to uphold the independence of CRGA. The issue for SPC was not inter-agency competition for talent – SPC's issue was its need to recruit from the international market. The proposal for an inter-agency committee would mean there was no point in an SPC standing committee.

244. SPC: The DDG noted that the recommendations presented had come out of the Triennial Review and discussions between CROP agencies. If members considered some of the recommendations needed further study, the secretariat could arrange that. He asked members to specify what they would need in order to make an informed decision and said the question could come back to CRGA next year.

245. New Zealand: NZ said the inter-CROP committee was also a recommendation under the Triennial Review. SPC could have its own standing committee, which could act as a bridge between the committee and the organisation. On the recommendations, NZ could endorse i, iii, and iv; and suggested ii, v and vi be discussed at the inter-CROP committee.

246. SPC: The DG said iv (relating to establishment of an SPC standing committee on remuneration) could be omitted, and the others mentioned could be referred to the inter-agency committee.
247. France: France reiterated that the document was complex. NZ's mention of the proposed establishment of an inter-CROP committee was interesting, but would need to be referred back to Paris. France and its overseas territories have been facing issues with the Forum. Despite several accession requests by New Caledonia and French Polynesia, until now France has felt that there is a prevailing post-colonial ambience at the Forum that does not take into account the Pacific environment and the fact that we have moved past the post-colonial era. France is present in the Pacific and offers support to all island members. Having said this, France stands ready to accept the political choice of New Caledonia in 2018 or beyond. France's position is clear on this, and it fully supports New Caledonia and French Polynesia as full members of the Forum. France would be happy to participate in this inter-agency committee, but would do so voluntarily, without any hidden agenda. France believes SPC has made progress in terms of its remuneration system, e.g. in more flexible application of the six-year rule to enable retention of its best staff members. On the issue of a new salary band for the position of DG, France had thought that band 18 was already a separate band for the position of SPC DG. It was not clear why band 19 was required.
248. RMI: RMI supported recommendations i and iii, and said iv should stay on the table. The other recommendations should be deferred for further analysis and discussion.
249. New Caledonia: Regarding recommendation iii, New Caledonia considered that salary increases based on performance were a good thing and might be included in the recommendations to the committee referred to by NZ. The SDR system was not a perfect system.
250. SPC: The DG suggested that CRGA consider endorsing recommendations i and iii, on the basis of consistency; replacing recommendation iv with the tri-agency committee; and agreeing to refer v and vi to that committee.
251. Australia: Regarding recommendation iii, Australia suggested any performance bonus system should include processes for managing under-performance.
252. SPC: The DG noted SPC has such a system as part of the performance management system.
253. USA: Regarding recommendation iv, USA noted the proposed SPC standing committee was supposed to provide internal analysis for SPC; the purpose of the inter-CROP committee was to provide analysis for CROP agencies. On bonuses, USA did not support the practice of awarding bonuses for performing normal duties to a high level.
254. Samoa: Samoa said the suggestions put by the DG seemed to be a reasonable way to progress the discussion. The bonus system is already practised by two other CROP agencies – PIFS and SPREP – and Samoa wanted the systems to be consistent.
255. Australia: Australia asked what was the process for moving forward if the meeting was not in agreement on the recommendations.
256. SPC: The DG said consistency with sister agencies was an issue, as Samoa pointed out. Bonuses were not a reward for a job well done, but for performance over and above duties. The DG regarded them as a management tool. If CRGA was not comfortable with the recommendation, the secretariat could consult with CROP agencies and either bring the issues back to CRGA or go ahead with decisions as management issues.
257. Niue: Niue said other agencies are not following the agreed harmonised system. CRGA had been talking about this over the last five years, and SPC will continue to be disadvantaged.
258. France: France said payroll issues should be consistent, but there needed to be a transparent assessment. There was a need to keep control of operating costs. Salaries must increase incrementally; and if they increase, there must be offsets, such as reducing positions or not replacing them.

259. USA: USA noted the importance of enlarging the aperture for bonuses, which were being discussed in isolation, and seeing the larger context of a performance assessment system. It might be necessary to have an analysis of performance management systems in CROP agencies, including those that have bonus systems. USA considers it important to guard against a sense of entitlement and expectation of a bonus for just doing the job. Instead of considering the issue of bonuses in isolation, CRGA needed to consider it in the larger context of how employees were being assessed.
260. SPC: The DG noted that at CRGA 44, there was an extensive presentation of the performance management system and the Human Resources policy on recruitment and retention. But if the meeting wanted the secretariat to come back with more analysis, it could provide that.
261. New Zealand: NZ said most of the members would be reassured if they had clarification from the DG that a robust performance management system was in place, and any bonus would be in line with that system.
262. USA: USA noted that its comments were based on views from various areas in the State Department. The bonus system presented was vaguely worded and was not put into a larger context of how employees were assessed.
263. SPC: The DG explained that there is a well-established performance development system in place. Under this system, an assessment process is conducted each year. Each individual staff member has a template that they fill in with their supervisor, setting objectives and KPIs. There is a mid-year review and at the end of the year, a formal assessment between the employee and supervisor. Divisional directors make an overall assessment of ratings of all the staff in their divisions. The results are put to the HR committee and decisions are made about performance and consequences.
264. Guam: Guam asked whether funding was already built into the budget for the bonus proposal.
265. SPC: The DDG said the budget already has an allowance for the existing performance development system. When people get to the top of their band they cannot be rewarded in any pecuniary way. This is a proposal to reward those people, in exceptional cases.
266. Guam: Guam suggested that since no more money was required to be mobilised for the recommendation, CRGA should consider the recommendations.
267. USA: USA thanked the DG and DDG for their helpful explanations of the performance development system and asked what percentage of people were in this zone at the top of bands and the financial implications.
268. SPC: The DDG said the secretariat has a considerable number of staff sitting near the top of the relevant bands. The bonus recommendation from Strategic Pay was that it be no more than 20 per cent of base salary. The paper proposed 15 per cent. There was management latitude to consider that. The aim was to ensure that there were more tools available to recognise staff performance.
269. Chair: The Chair proposed that the meeting adopt recommendation i; defer recommendation iii to the next CRGA; and that recommendations ii, iv, v and vi be referred to the inter-CROP committee.
270. Cook Islands: Cook Islands suggested that given where the comments had left off, the meeting was not ready to adopt recommendation iii.
271. USA: USA asked that the meeting defer recommendation iii, and thanked Cook Islands for the intervention.
272. Australia: Australia suggested that it might be possible to deal with the issue intersessionally with more information provided to CRGA if required.
273. Chair: The Chair suggested that the meeting defer recommendation iii either to the next CRGA or to intersessional consideration; adopt recommendation i; and refer recommendations ii, iv, v, and vi to the inter-CROP committee, with drafting to be referred to the drafting committee.

274. The meeting accepted the suggestion

RECOMMENDATIONS

275. CRGA recommended that Conference approve:

- i. retention of the principle of CROP harmonisation, while endorsing the need to update the guiding principles and strategies to ensure a balance between consistency and flexibility;
- ii. SPC's engagement with the future inter-agency committee on remuneration of the four CROP agencies;
- iii. more analysis of the suggested provision of bonuses for high performers and the existing performance management system, no later than CRGA 46;
- iv. referral of the following to the inter-agency committee:
 - a. creation of a separate salary band for the position of SPC Director-General, consistent with the recommendation of the triennial review;
 - b. extension of the reference market for positions advertised internationally to include the United States of America and organisations under the International Civil Service Commission;
 - c. adoption of the US dollar or the Euro as a new reference currency for SPC operations.

AGENDA ITEM 9.4 B: ANNUAL MARKET DATA REVIEW AND FISCAL YEAR 2016 SALARY SCALES AND SALARY REVIEW

276. The 2016 SPC salary scales for positions advertised internationally (PAI) and for positions advertised locally (PAL) in each of SPC's four host countries were proposed in accordance with the recommendations of the 2015 CROP Triennial Remuneration Review. Noting that remuneration harmonisation between CROP members continues to be dysfunctional and that the Pacific Community has the lowest salary scales among the CROP agencies, a general salary increase of 2% was recommended across all position types and locations. The DDG, who presented the paper, said the cost was provisioned in the 2016 budget and was cost neutral.

277. New Zealand: NZ asked whether the option really was cost neutral, or whether there were implications in out years.

278. SPC: The DDG noted that cost implications related to new recruits, but they were recruited at the lowest end, so those implications were minimal. And at the highest end, staff would be allowed to move up, so SPC has budgeted to absorb the performance increases in the band. This proposal is driven by the principle of continuing to try to harmonise with CROP agencies.

279. New Caledonia: New Caledonia noted that given the impact on the budget, the increase was not entirely cost neutral.

270. Cook Islands: Cook Islands asked for information on the salary scales over time.

271. SPC: The DDG advised that this year the proposal was for an increase of 4% at the mid-point for all SPC salary scales; last year it was 2%. It was noted that there is no consistency of application of the principles on salary across the CROP agencies. Other agencies have given their staff significant pay increases over the last few years. The secretariat understands that there are financial implications, but has taken those into account. Overall, the secretariat has been responsible on salary increases over a number of years.

272. France: France suggested 'without significant impact' instead of 'cost neutral'.

273. Niue: Niue said that harmonisation across CROP agencies is not just about where SPC stands in relation to others, but also about how SPC is delivering services to member countries. Niue is very happy with the quality of SPC's services and this value needs to be recognised.

274. Niue moved that the recommendations of the paper be accepted. The motion was seconded by RMI.

RECOMMENDATIONS

275. CRGA recommended that Conference approve, with effect from 1 January 2016:

- i. an increase of 4% at the mid-point for all SPC salary scales (international and local), in all locations (Federated States of Micronesia, Fiji, New Caledonia and Solomon Islands);
- ii. a 2% salary increase for all SPC employees in all locations.

AGENDA ITEM 9.4 C: BAND AND REMUNERATION FOR THE POSITION OF PACIFIC COMMUNITY DIRECTOR-GENERAL

276. Chair: This item was removed from the agenda because of the earlier decision of CRGA under Agenda item 9.4 A.

AGENDA ITEM 10: DIRECTOR-GENERAL'S PERFORMANCE ASSESSMENT (*IN CAMERA*)

277. CRGA considered the Director-General's performance for the years 2014 and 2015 and its recommendation to the 9th Conference of the Pacific Community on renewal of his contract for a further two-year period.

278. CRGA's assessment was based on the DG's written self-assessment and the report of an ad hoc CRGA subcommittee, together with relevant CRGA reports and documents.

279. This agenda item was discussed *in camera* and CRGA's recommendation was conveyed in a letter from the Chair of CRGA to the Chair of Conference.

AGENDA ITEM 11 – FORTY-SIXTH CRGA: VENUE, CHAIRPERSON AND VICE-CHAIRPERSON

280. The CRGA Rules of Procedure state that CRGA should meet once a year at SPC headquarters in Noumea, except in the years when the Conference is convened, when CRGA meets immediately before the Conference at a venue chosen by the members of the Pacific Community.

281. RMI moved that the recommendations of the paper be accepted. The motion was seconded by American Samoa.

RECOMMENDATIONS

282. CRGA recommended that Conference note that:

- i. the venue for the meeting of CRGA 46 in 2016 will be Noumea, New Caledonia, and that members will be advised of the meeting dates in due course;
- ii. the Chairperson for CRGA 46 will be provided by New Caledonia and the Vice-Chairperson by New Zealand.

283. *Note: Following Conference's decision on the venue for the 10th Conference, it was subsequently decided that CRGA 46 will be held in Suva, Fiji, 28–29 June 2016.*

AGENDA ITEM 12 – STATEMENTS FROM OBSERVERS

284. CRGA noted with interest and appreciation the statement made by the Republic of Singapore and those tabled by GIZ, PIFS, the Pacific Islands Development Forum (PIDF), and SPREP. Statements that were handed to the secretariat are appended to this report.

AGENDA ITEM 13 – OTHER BUSINESS

285. The representative of Guam invited all delegates to attend the 12th Festival of Pacific Arts, which will be held in Guam from 22 May to 4 June, 2016.

286. CRGA received an update on the draft Strategy for Resilient Development in the Pacific (SRDP) prepared jointly by representatives from SPC, PIFS and SPREP.

RECOMMENDATIONS

287. CRGA recommended that Conference:

- i. note the information provided in the joint update on the draft SRDP;
- ii. support the preliminary procedural measures proposed to address the concerns of member countries relating to the draft SRDP;
- iii. direct the secretariat to continue its active participation in the work to finalise a draft SRDP for submission to the 2016 Pacific Islands Forum Leaders Meeting, Pohnpei, Federated States of Micronesia.

AGENDA ITEM 14 – ADOPTION OF CRGA DECISIONS

288. Chair: The Chair asked that the meeting consider the decisions document.

289. Fiji moved that the recommendations of CRGA be accepted. The motion was seconded by RMI.

290. CRGA 45 adopted its decisions.

CLOSING COMMENTS

291. Chair: The Chair noted that in relation to Agenda Item 10, he had written a letter to the Conference Chair. He would also write to the Pacific Community Director-General.

292. Australia: Australia made a clarification, in relation to Agenda Item 9.4 A, on the discussion of terms and conditions for SPC staff. It was at all times a discussion of principle, not a discussion of performance and the contribution that SPC makes. Australia, and all members around the table, appreciated the contribution of SPC staff.

293. SPC: The DG thanked all delegates to CRGA, noting that some procedural changes had been made to the meeting following the governance review. He said that the secretariat had been a little ambitious in the number of items presented, given the complexity of some, and also indicated a need for more attention to separating governance from management issues. The question was: how can the secretariat improve on the material presented, while ensuring CRGA has the information needed to make informed decisions. He said the governance subcommittee and the planned induction process would be helpful in this regard. He suggested that the secretariat might present a paper on the issue at CRGA 46 as part of efforts to improve the efficiency and effectiveness of the primary governance mechanism of SPC.

294. The DG also thanked all participants, saying that it had been an intensive few days. He recognised and thanked Mr Richard Hipa and the Government of Niue for the welcome and hospitality they had extended to

everyone. He also thanked the many people involved behind the scenes at the venue and all SPC staff who had assisted in the conduct of the meeting.

295. Chair: The Chair thanked all delegates for their contribution to the productive discussions and thanked the secretariat staff for assisting him.

296. Niue: Niue thanked the Chair, the Director-General and all delegates and looked forward to the Conference. It had been a pleasure for the Niue Government to host CRGA.

297. The meeting closed with a prayer by Fiji.

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Vice-Chairperson: Mrs Anne-Claire Goarant

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Deputy Director-General (Noumea)	Mr Cameron Diver
Director – Strategic Engagement, Policy and Planning Division	Mr Cameron Bowles
Director – Geoscience Division	Mr Michael Petterson
Director – Economic Development Division	Capt. John Hogan
Director, Fisheries, Aquaculture and Marine Ecosystems Division	Mr Moses Amos
Land Resources Division	Mr Kenneth Cokanasiga
Director – Public Health Division	Dr Paula Vivili
Director, Statistics for Development Division	Dr Gerald Haberkorn
Director – North Pacific Regional Office	Mr Gerald Zackios
Deputy Director – Social Development	Ms Kuiniselani Tago
Director,	Mr Martin Van Weerdenburg
Director, Human Resources	M. Pierre-Henri Suatton
Director, Strategic and Corporate Communication	Ms Julie Marks
Principal Adviser – Director-General’s Office/	Ms Patricia Sachs Cornish
Manager, Solomon Islands country office	Ms Mia Rimon

**STATEMENT BY FIJI'S MINISTER FOR FOREIGN AFFAIRS AND INTERNATIONAL COOPERATION,
RATU INOKE KUBUABOLA
9TH CONFERENCE OF THE PACIFIC COMMUNITY**

Honourable Ministers, Heads of Delegations, Excellencies, Director-General Dr Colin Tukuitonga, and members of your staff, Ladies and Gentlemen

1. It is my great honour to address the Pacific Community on this auspicious occasion of the 9th Conference of the Pacific Community.
2. The Secretariat of the Pacific Community, as the region's leading technical and scientific organisation, has over the years been instrumental in guiding the Pacific people towards the achievement of their development goals. It must stay the course in remaining the apolitical regional organisation that is people-centred in its vision and mission, and fair and equitable in the delivery of its service to its members.
3. Through its visionary leadership and management over the years and the crucial technical support role it plays in the region's economic and social development, the SPC has now evolved into becoming one of the last bastions of hope for the Pacific region in holding the delicate fabric of our divergent economies and societies together. This is a proud achievement for the organisation.
4. The organisation continues to embrace the challenges it faces, in an environment of a tightening of finances, it continues to tirelessly seek new partnerships to enable it to continue to deliver critical services to us all.
5. As the outgoing Chair of the Pacific Community, I would like to enlighten you on my tenure over the past two years. Some of you may recall at the time when I assumed the role of Chair I had highlighted that the challenges included:
 - *Sustainable financing of SPC's work*
 - *Governance arrangements*
 - *SPC's involvement in the post-2015 development agenda*
 - *Membership issues*
 - *HR challenges and DG's proposed solutions*
6. Since taking on the role as Chair, I have availed the services of Fiji's Foreign Ministry and its global missions, particularly the Permanent Mission to the United Nations and the Embassy in the United Arab Emirates to support the Secretariat in its quest for new and lasting partnerships.
7. Our Permanent Mission to the United Nations was very instrumental in the Pacific Community being granted permanent Observer status to the United Nations and I am proud to say that it was a very gratifying moment when the Director General, Dr Colin Tukuitonga addressed the General Assembly in September at the Global summit on Sustainable Development for the very first time. The world listened to him speak to the importance of climate change, youth, oceans, numeracy and literacy and how important it was for our young Pacific people.

8. We have seen the Pacific Community embrace the Small Islands Development States Global Conference in Apia, Samoa in 2014. The multiple partnerships that were launched only further consolidated the work in the numerous sectors in which the Secretariat provides support.
9. From my own personal observations I have seen an increased awareness of the work the Pacific Community nationally, regionally and globally and I am more than satisfied that the secretariat continues to respond to our needs in the most strategic and meaningful way.
10. The Fiji government continues advance the Pacific Village concept that will enable the secretariat to overcome the challenges of multiple locations in Suva which houses the largest of the Pacific Community's offices. Let me reassure you all that the Fiji Government will continue to actively pursue this in the coming years.
11. When I assumed the role of Chair, Dr Colin Tukuitonga was appointed the Director General. He has over the past two years communicated regularly with me on key issues of concern to him and the Secretariat. He has diligently led a governance review of the organisation and commenced implementations of the recommendations.
12. I wish to congratulate Dr Colin Tukuitonga for his sterling leadership and for ably leading the organisation for the past two years ensuring that the Pacific Community Conference and meetings remain enriched and meaningful.
13. I believe during this time of transition which continues to promise a lot of opportunities for the organisation and its members. And along with opportunities comes challenges.
14. While there will always be challenges, from my perspective, below I highlight a few for the next few years
Sustainable financing of SPC's work – This must continue to remain centre stage in the senior management team's agenda going forward. Further work will need to be invested in this area over the next year or two to bring this to fruition.
Framework for Pacific Regionalism – this is the new regional paradigm and tries to involve all pacific peoples. However I am mindful that the process still requires an enhanced role for the technical agencies. I stress the need to ensure the Pacific Community as key implementing agency has a substantive role in identifying what the priorities for the Pacific are.
SPC's involvement in the 2030 development agenda – It is my view that SPC is the lead agency in providing statistics for development support to our Pacific Community and therefore they should retain this role as we continue to integrate the sustainable development goals into our regional and national plans.
Ownership and participation by the members – we as members really need to embrace their role and actively involve ourselves in providing ethical and strong guidance to the organisation – and I mean not to manage the organisation but take ownership in identifying priorities for the Pacific Community. Of course, not asking for the world. These are important game changers in my view for the Pacific Community and I encourage us all to support the Director General and his team as they embark on yet another journey.
15. I thank you again.

**LETTER FROM THE CHAIR OF CRGA 45 TO THE CHAIR OF THE NINTH CONFERENCE
(INCLUDING CRGA DECISIONS)**

3 November 2015

Hon. Toke Talagi
Premier of Niue and
Chairperson of the 9th Conference of the Pacific Community
Alofi, Niue

Dear Premier,

It is my honour to present to you and to the Ninth Conference of the Pacific Community the recommendations agreed on by the Committee of Representatives of Governments and Administrations (CRGA) at its 45th session this week.

On behalf of CRGA, I would like to congratulate you on assuming the chair of the Conference and convey to you our confidence that under your stewardship the meeting will enjoy great success.

It has been a privilege for me to chair CRGA 45 and on behalf of all members I wish to thank the government of Niue for providing such a wonderful venue for the meeting and for its support of meeting arrangements. We are grateful for the warm and generous hospitality that we have all enjoyed.

I'm pleased to report that CRGA's discussions were both constructive and useful and I note below some of the highlights.

In his report, the Director-General informed CRGA that the 'change agenda' initiated in 2014 to ensure SPC's fitness for the future was continuing in 2015 with an emphasis on analysis of priorities and retention of core scientific and technical capabilities. CRGA recognised the critical need for a sustainable and predictable financing regime for SPC, with the current reliance on project funding, and the imbalance between project and core funding, bringing risks and constraining strategic allocation of resources. In this regard, CRGA expressed appreciation for the partnership agreements signed between SPC and Australia, New Zealand and the European Commission, which allow greater flexibility of resource use in delivering priority services to members.

A feature of the meeting was the presentation of the Pacific Community's Strategic Plan 2016–2020. CRGA acknowledged with gratitude the work of the Chair and members of the CRGA Pacific Community Strategic Plan Subcommittee in developing the Plan, which is the result of an extensive process of consultation with member countries and territories, development partners and staff. It adopts the vision of the Pacific Islands Forum leaders as a regional vision to demonstrate the value of a united regional approach, with the mission articulating how the Pacific Community will contribute to this shared vision. The five objectives of the Strategic Plan are to: strengthen engagement and collaboration with members and partners; strengthen technical and scientific knowledge and expertise; address members' development priorities through multi-disciplinary approaches; improve planning, prioritisation, evaluation, learning and innovation; and enhance the capabilities of staff, systems and processes.

CRGA was updated on the implementation of the Framework for Pacific Regionalism, acknowledging that SPC is committed to implementation of the Framework, in areas within its mandate, but also recognising that not all its members are involved in the Framework process and that no new resources are currently available to address the priorities referred to it.

CRGA recommends to Conference that the secretariat should continue working towards improved CROP (Council of

Regional Organisations in the Pacific) coordination, while preserving the interests of the Pacific Community, and should actively participate in the study of regional governance and financing, ensuring adequate representation from members on any review team or working group.

Conference is requested to note that our organisation will revert to using its formal name 'the Pacific Community' ('la Communauté du Pacifique'), adopted by the 37th South Pacific Conference in 1997 to replace 'the South Pacific Commission' and reaffirmed by Resolution of the 8th Conference of the Pacific Community. This will rectify the informal practice of referring to the organisation as 'the Secretariat of the Pacific Community', which has developed over past years.

Attached to this letter is a summary of the discussions and recommendations of CRGA 45 (Attachment 1) for consideration by the Conference.

In accordance with established practice, the decisions of CRGA 44 held in Noumea in 2014 are also attached (Attachment 2) for noting by the Conference, given that in the years the Conference does not meet, CRGA is empowered by the Conference to make decisions.

I commend these decisions and recommendations to the Conference. In this regard, I wish to thank CRGA members for their cooperation in completing the business of the meeting and for their commitment and dedication to the work of the Pacific Community.

I end by wishing you a stimulating and fruitful meeting,

Yours sincerely,

Michael Aroi

Secretary for Foreign Affairs and Trade, Government of Nauru and

Chairperson, 45th Meeting of the Committee of Representatives of Governments and Administrations

**RECOMMENDATIONS OF CRGA 45 FOR CONSIDERATION BY THE
9TH CONFERENCE OF THE PACIFIC COMMUNITY**

AGENDA ITEM 1: OPENING

20. The 45th meeting of the Committee of Representatives of Governments and Administrations (CRGA 45) opened on 30 October 2015 at the Millennium Hall in Alofi, Niue. The meeting was chaired by the Republic of Nauru with New Caledonia as Vice-Chair and was attended by representatives of the following members of the Pacific Community – American Samoa, Australia, Cook Islands, Fiji, France, French Polynesia, Guam, Kiribati, Marshall Islands, Nauru, New Caledonia, New Zealand, Niue, Papua New Guinea (PNG), Samoa, Solomon Islands, Tokelau, Tonga, Tuvalu, United States of America and Vanuatu – and by observers and partners including Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), the Pacific Islands Forum Secretariat, Singapore, and the Secretariat of the Pacific Regional Environment Programme (SPREP).

AGENDA ITEM 2: DIRECTOR-GENERAL'S REPORT

21. The Director-General presented an overview of key activities undertaken in 2015 to consolidate SPC's position as the leading scientific and technical agency in the Pacific region supporting sustainable development in member states and territories. The SPC 'Change Agenda' initiated in 2014 to ensure SPC's fitness for the future, including analysis of priorities and retention of core capabilities, continued in 2015 with a focus on developing the new Pacific Community Strategic Plan 2016–2020. Multi-year business plans for SPC's technical work, including integrated programming approaches, will align with the strategic plan, and monitoring, evaluation and learning will be strengthened to underpin improvements in effectiveness. A sustainable and predictable financing regime is critical for the future, with SPC's current reliance on project funding and the imbalance between project and core funding bringing risks and constraining strategic allocation of resources. In this regard, the partnership agreements signed between SPC and Australia, New Zealand and the European Commission allow greater flexibility of resource use. Improving the way CROP (Council of Regional Organisations in the Pacific) agencies work together, particularly in implementing the Framework for Pacific Regionalism, is also fundamental to more efficient use of resources and the best development outcomes for the people of the Pacific Islands region.

RECOMMENDATIONS

22. CRGA recommends to Conference that it:
- i. acknowledge the Pacific Community's (SPC's) achievements in 2015;
 - ii. note progress on the SPC 'Change Agenda', including the new 'headline' structure that was discussed during consultation on the new Strategic Plan;
 - iii. direct the secretariat and encourage members to participate actively in the CROP Governance and Finance Review;

- iv. approve the efforts of the secretariat and members to enhance the Pacific Community's outreach, visibility and partnerships, and mandate continuation of these efforts;
- v. endorse the secretariat's initiative to clearly identify priority areas of work and to focus resources accordingly, in line with the Pacific Community Strategic Plan 2016–2020;
- vi. provide guidance, as appropriate, to the secretariat on the key challenges facing SPC in terms of governance, partnerships, the regional architecture and CROP agency coherence;
- vii. note the fragile financial situation of SPC, approve the objective of increasing core funding to around 35% of the total budget and agree on exploring opportunities for cost-sharing on specific services and resource mobilisation in general, with a full financial outlook statement to be presented to CRGA 46 in June 2016;
- viii. note that the secretariat has determined that the organisation should revert to using its formal name 'the *Pacific Community*' ('*la Communauté du Pacifique*'), adopted by the 37th South Pacific Conference in 1997 to replace 'the South Pacific Commission' and reaffirmed by Resolution of the 8th Conference of the Pacific Community. This will rectify the informal practice of referring to the organisation as 'the Secretariat of the Pacific Community', which has developed over past years. Note also that the Pacific Community ('*la Communauté du Pacifique*') refers to members and the secretariat as a whole, as does the abbreviation, 'SPC' ('CPS');
- ix. note the updated Pacific Community logo and associated visual identity.

AGENDA ITEM 3: GOVERNANCE REVIEW: IMPLEMENTATION OF RECOMMENDATIONS

23. The Governance Review conducted in 2014 made nine recommendations designed to strengthen the organisation's governance. As a result, CRGA meetings will now take place mid-year rather than at the end of the year; the role of the Conference of the Pacific Community has been clarified; the scope of the Audit and Risk Committee has been widened to include budget and major assets acquisitions; a CRGA subcommittee was established to lead the development of SPC's new Strategic Plan; and an orientation session for delegates will be held before CRGA 46. A preliminary draft of the terms of reference for CRGA has been developed for consultation, and will be shared in the near future with members. Members themselves must implement the recommendation encouraging continuity of representation at meetings, acknowledging that some members have retained the same representatives over a period of time. There will also be a review of increasing SPC's presence in strategic locations around the region.

RECOMMENDATIONS

24. CRGA recommends to Conference that it:
- i. acknowledge continued progress in implementing the recommendations of the Governance Review and the constraints to full implementation of some recommendations;

- ii. note the importance of the principle of continuity of representation at CRGA and that members have provided an update to CRGA;
- iii. note that CRGA has decided to convene CRGA 46 in the second half of June 2016.

AGENDA ITEM 4: MEMBERSHIP POLICY

AGENDA ITEM 4.1: UPDATE ON TIMOR LESTE MEMBERSHIP

25. CRGA 43 and the 8th Conference of the Pacific Community approved a resolution extending the territorial scope of the Community to include Timor Leste. This resolution entered into force on 19 November 2014. On that basis, CRGA 44 mandated the secretariat to extend a formal invitation to Timor Leste to join the Pacific Community. By diplomatic note dated 9 February 2015, the Government of Timor Leste was formally invited to join the Pacific Community and informed of the procedure that must be followed to accede to the Canberra Agreement and thus become a Participating Government. The secretariat was advised that this accession would require the approval of Timor Leste's Council of Ministers and Parliament and, following meetings with the Minister and Vice-Minister of Foreign Affairs of Timor Leste, is awaiting further information on the completion of these internal processes. It is expected they will be completed in the near future.

RECOMMENDATION

26. CRGA recommends to Conference that it note the progress of discussions with Timor Leste on its potential membership of the Pacific Community.

AGENDA ITEM 4.2: POLICY ON MEMBERSHIP AND PERMANENT OBSERVER STATUS

27. Following the decision of CRGA 43 that a working group should explore new categories of associate membership and observer status, CRGA 44 requested that the secretariat develop, in consultation with members, an SPC Policy on Permanent Observer Status setting out the criteria, admission procedure, treatment and expectations associated with such status and to provide a draft of the policy to the 9th Conference of the Pacific Community for adoption. The Pacific Community Policy on Membership and Permanent Observer Status that has been developed for approval is a non-legally binding document that aims to provide a clear administrative and procedural guide to membership of the Pacific Community and to permanent observer status. It is also an important tool for facilitating outreach and developing long-term partnerships for the benefit of the region. The policy has undergone legal review and is consistent with the existing provisions of the Canberra Agreement. It thus does not require any amendment of the Agreement and preserves the status of all current members of the Pacific Community.

RECOMMENDATION

28. CRGA recommends to Conference that it adopt the resolution that will introduce the Pacific Community Policy on Membership and Permanent Observer Status.

AGENDA ITEM 5: GOVERNANCE AND FOCUS OF EDUCATIONAL QUALITY AND ASSESSMENT PROGRAMME (FORMERLY SPBEQ)

29. A special meeting of the Pacific Board for Educational Quality (PBEQ) in February 2015 agreed that the name PBEQ will be retained and that the work programme will be named the Educational Quality and Assessment Programme (EQAP). It was also agreed that, since EQAP is now an integral part of SPC, the governing body for EQAP will be CRGA and, ultimately, the Conference of the Pacific Community. However, due to the specialised nature of EQAP's activities, it was proposed that PBEQ should become a specially mandated subcommittee of CRGA, retaining its advisory roles and all other functions, which include accreditation of high school qualifications, providing advice to SPC on developments in educational assessment and quality, and priority areas for its work. The programme will therefore be accountable directly to the Director-General of SPC and the PBEQ will report to CRGA annually on EQAP activities at governance level. The Director-General also clarified how EQAP services will be delivered to members.

RECOMMENDATIONS

30. CRGA recommends to Conference that it:
- i. approve the role and function of the Pacific Board for Educational Quality as a subcommittee of CRGA;
 - ii. acknowledge and approve the new name of the programme, that is, the Educational Quality and Assessment Programme;
 - iii. approve the awarding and accrediting authority of SPC;
 - iv. authorise the development and adoption of a revised mandate and terms of reference for the Pacific Board for Educational Quality as a subcommittee of CRGA.

AGENDA ITEM 6: AGENDA ITEM 6 A: FRAMEWORK FOR PACIFIC REGIONALISM

31. In a joint presentation by the Pacific Islands Forum Secretariat (PIFS) and SPC, CRGA was updated on the implementation of the Framework for Pacific Regionalism and the secretariat's submissions to the Specialist Sub-Committee on Regionalism (SSCR) of the Forum Officials' Committee (FOC). The SSCR recommended five priorities to Forum Leaders that were submitted through the inclusive, public policy process: (a) increased economic returns from fisheries activity and maritime surveillance; (b) climate change and disaster risk; (c) information and communications technologies; (d) West Papua; and (e) cervical cancer screening and

prevention. SPC is committed to implementation of the Framework, in areas within SPC's mandate, recognising it as a public priority setting process, but also recognising that not all its members are involved in the Framework process and that no new resources are currently available to address the priorities referred to it.

RECOMMENDATIONS

32. CRGA recommends to Conference that it:
- i. acknowledge the secretariat's engagement in the Framework for Pacific Regionalism and the submissions made to the Specialist Subcommittee on Regionalism;
 - ii. decide that the submissions on the *Pacific Youth Development Framework*, and *Organic Islands: Growing our future through organic and ethical trade* should be further analysed and presented to CRGA 46 for consideration;
 - iii. urge continued efforts by the secretariat to make progress on the submissions to the Specialist Subcommittee, particularly those requiring the attention of Pacific ministers, and ask that their status be reported to CRGA 46;
 - iv. recognise that SPC would require additional resources to implement leaders' decisions on regional priorities that are relevant to SPC, and urge that these resources should not be drawn from existing budgetary allocations.

AGENDA ITEM 6 B: STRENGTHENING COHERENCE THROUGH THE COUNCIL OF REGIONAL ORGANISATIONS IN THE PACIFIC (CROP)

33. Noting that CROP exists to ensure that regional organisations, including SPC, pursue their collective aim of achieving sustainable development in Pacific Island countries and territories in the most effective and efficient manner, CRGA was updated on the CROP Chair's report on issues including the role of CROP in the Framework for Pacific Regionalism; strengthened regional coordination in engaging with external development partners/financiers; and coordinated support to countries both regionally and internationally. The report proposed several recommendations that later became the decisions of the Forum Officials Committee including encouraging CROP agencies to continue their coordinated engagement with external development partners, e.g. in relation to the 11th European Development Fund. A proposed study of regional governance and financing will serve to identify opportunities to strengthen the collective work of CROP. Draft terms of reference being developed for the study, with input from SPC, will take into account recommendations from the Pacific Community's governance review.

RECOMMENDATIONS

34. CRGA recommends to Conference that it:
- i. acknowledge the report of the Chair of the Council of Regional Organisations in the Pacific (CROP) and approve the recommendations of the report;
 - ii. reaffirm that the secretariat should continue working towards improved CROP coordination, while preserving the interests of the Pacific Community;
 - iii. note that management of CROP cohesion in relation to the Pacific Community rests with the Director-General, who will initiate requests to CRGA for guidance when faced with issues impacting the governance of the organisation;
 - iv. decide to actively participate in the study of regional governance and financing, ensuring adequate representation from Pacific Community members on any review team or working group;
 - v. urge that CROP agencies increase their efforts to improve cohesion with the aim of enhancing service delivery to member countries and territories.

AGENDA ITEM 7: PACIFIC COMMUNITY STRATEGIC PLAN 2016–2020

(Closed session for CRGA members)

35. A special session of CRGA met on 1 November 2015 to make final recommendations to CRGA on the draft Pacific Community Strategic Plan 2016–2020 and its implementation. The meeting discussed and agreed on amendments that had been put forward after the final draft of the Plan was circulated to members for comment. It was also agreed that a CRGA subcommittee (CRGA Subcommittee on Strategic Plan Implementation) should be established to monitor the implementation of the Plan. The draft terms of reference for the subcommittee and its scope and membership were discussed. CRGA requested that the members of the Pacific Community Strategic Plan Subcommittee consider the composition of the new subcommittee and make recommendations to CRGA.

AGENDA ITEM 8: PRESENTATION OF PACIFIC COMMUNITY STRATEGIC PLAN 2016–2020

36. The Pacific Community's Strategic Plan 2016–2020 sets out its strategic direction and priorities for the next five years. CRGA acknowledged with gratitude the work of the Chair and members of the CRGA Pacific Community Strategic Plan Subcommittee in developing the Plan, which is the result of an extensive process of consultation with member countries and territories, development partners and staff. It adopts the vision of the Pacific Islands Forum leaders as a regional vision to demonstrate the value of a united regional approach, with the mission articulating how the Pacific Community will contribute to this shared vision. The five objectives of the Strategic Plan are to: strengthen engagement and collaboration with members and partners; strengthen technical and scientific knowledge and expertise; address members' development priorities through multi-disciplinary approaches; improve planning, prioritisation, evaluation, learning and innovation; and enhance the capabilities of staff, systems and processes.

RECOMMENDATIONS

37. CRGA recommends that Conference:
- i. approve the draft Pacific Community Strategic Plan 2016–2020 as submitted, and as edited (in accordance with discussion between members) to reflect requests to:
 - a. clarify the role of the secretariat within the Pacific Community;
 - b. emphasise and prioritise the mainstreaming of social development (gender, culture, youth and human rights);
 - c. base further 'areas of excellence' on appropriate evidence and in consultation with CRGA;
 - d. pursue further internal effectiveness and efficiencies;
 - e. recognise that in respect of climate change SPC should work in areas within SPC's mandate.
 - ii. establish a CRGA Subcommittee on Strategic Plan Implementation to assist CRGA's governance role in overseeing the implementation of the Strategic Plan and to provide regular opinions and advice to CRGA (terms of reference for the subcommittee are attached);
 - iii. direct the secretariat to call for nominations to the CRGA Subcommittee by the end of November 2015. Ideally the subcommittee's membership will represent the composition of the organisation, in particular to include the following constituencies: Melanesia, Micronesia, Polynesia, metropolitan members and French-speaking members.

AGENDA ITEM 9: OPERATIONS AND MANAGEMENT DIRECTORATE REPORT

AGENDA ITEM 9.1 A: AUDIT AND RISK COMMITTEE REPORT

38. The SPC Audit and Risk Committee's report on its work in 2015 expressed confidence that recognition and acceptance of the importance of probity, sound policies and strong financial management and control are well established in SPC. The report noted that with the support of the SPC internal auditor, satisfactory progress has been made in strengthening policies and procedures for procurement; cash management and investment; foreign exchange management; consultant engagement; travel management and approval; and grant management. Future work by an international accounting firm will focus on asset management, information technology governance and control – which the committee considers an area of high risk – and business continuity and disaster recovery. There had been plans to present SPC's 2014 accounts using the International Public Sector Accounting Standards (IPSAS), but because the work was more complex and time-consuming than anticipated the transition to the IPSAS format has been deferred to the 2015 accounts.

Following the European Union's 'seven pillar' assessment of SPC's systems and procedures, SPC has strengthened its policies to address weaknesses identified in three assessment areas and should be fully compliant by mid-2016.

RECOMMENDATION

39. CRGA recommends that Conference note the report from the Chair of the Audit and Risk Committee.

AGENDA ITEM 9.1 B: RENEWAL OF THE AUDIT AND RISK COMMITTEE

40. The Audit and Risk Committee was created by CRGA 42 with a three-year tenure for committee members, from October 2012 to December 2015. The committee has met regularly over this period and provided valuable guidance to the secretariat, at the same time developing in-depth insight into SPC operations. For reasons of continuity and quality of advice, the secretariat requested that CRGA consider reappointing the current committee members for a further three years and proposing the renewal of the Chair to Conference, while noting the need for succession planning to ensure the excellent work of the committee carries on in future.

RECOMMENDATION

41. CRGA recommends that Conference reappoint the current Chair of the Audit and Risk Committee for a further three-year term, and note CRGA's decision to reappoint the two other members of the Audit and Risk Committee for the same term.

AGENDA ITEM 9.2: FINANCIAL YEAR 2014 ACCOUNTS AND UPDATE ON ASSESSED CONTRIBUTIONS

42. The audited 2014 SPC financial statements and audit reports and an update on the status of membership contributions were presented for the consideration of CRGA. For the 19th consecutive year, the records for both SPC's overall finances and the Staff Provident Fund received unqualified audit opinions for the financial year 2014. As at 1 November 2015, 17 of SPC's 26 members have fully settled their assessed contributions to SPC. The majority of members made significant efforts to make payments in full or in part during the year. The total outstanding amount of assessed contributions was 2,806,958 CFP units (approximately USD 3.1 million). Seven members have outstanding 2015 contributions but no significant arrears, while two members have significant arrears totalling 711,370 CFP units.

RECOMMENDATIONS

43. CRGA recommends that Conference:

concerning the 2014 financial statements:

- i. accept the 2014 audited financial statements as unqualified, and as presenting a true and fair view of the financial position and financial performance of the Pacific Community and of its Staff Provident Fund, and note that proper accounting records have been kept;

concerning the status of assessed contributions:

- ii. acknowledge the significant efforts made by many members;
- iii. request those members with outstanding contributions, in particular those with arrears, to settle these as early as possible;
- iv. request members in financial difficulty to agree on a payment plan with the secretariat.

AGENDA ITEM 9.3: 2015 REVISED BUDGET AND 2016 PROPOSED BUDGET

44. SPC's revised budget for 2015 and proposed budget for financial year 2016 were presented to CRGA. The revised 2015 budget was a balanced budget, totalling 113.978 million CFP units. Overall, the 2015 revised budget reflected a small increase of 3.027 million CFP units compared to the original budget of 110.951 million CFP units. For 2016, a balanced budget of 93.39 million CFP units was proposed, comprising a core budget of 26.986 million CFP units, and programme and project funding of 66.404 million CFP units. This is a decrease from previous years due mainly to a gap between the end of cycles of project funding and the start of new cycles (e.g. European Development Fund). CRGA's attention was drawn to a projected deficit of 2.597 million CFP units in 2017 and 3.818 million CFP units in 2018. To balance the 2016 budget, the secretariat was able to cover a deficit of 1.2 million CFP units by means of internal cost savings across technical divisions and operations and management. The secretariat contributed funding to SPC's reserves in the 2016 budget in response to previous requests from CRGA to build up the reserves, noting that further details on this issue will be presented to CRGA 46. The secretariat is committed to addressing the projected budget deficits and to raising the resources necessary to fund initiatives under the Pacific Community Strategic Plan 2016–2020, including through the appointment of a new Director of Finance and the full implementation of sustainable financing initiatives over the next three budget cycles and thereafter as a matter of course.

RECOMMENDATIONS

45. CRGA recommends that Conference:
- i. note the revised 2015 budget;
 - ii. approve the proposed budget for financial year 2016;
 - iii. approve the secretariat's request to use 600,000 CFP units from reserves to fund priorities and initiatives under the new Pacific Community Strategic Plan in 2016;
 - iv. recognise the serious budgetary situation for 2017 and 2018;
 - v. acknowledge the positive efforts made by the secretariat to strengthen SPC's reserves;
 - vi. approve the secretariat's plans to further develop and fully implement a sustainable financing strategy, including cost recovery and priority setting mechanisms, over the next three budget cycles and thereafter as a matter of course.

AGENDA ITEM 9.4 A: COUNCIL OF REGIONAL ORGANISATIONS IN THE PACIFIC (CROP) – TRIENNIAL REVIEW 2015

46. Four members of CROP – the Forum Fisheries Agency (FFA), Pacific Islands Forum Secretariat (PIFS), Pacific Community (SPC) and Secretariat of the Pacific Regional Environment Programme (SPREP) – have adopted a 'harmonised' approach to their remuneration principles and practices, with triennial reviews of remuneration principles and practices, including terms and conditions, for positions advertised internationally. The 2015 CROP Triennial Review was conducted by AON Hewitt, which recommended establishing a separate banding structure for CEOs that reflects the size of the organisation and scope of the role; bonuses for high-performing staff; extension of the current reference market used to set remuneration for internationally recruited staff; and a change in the reference currency from Special Drawing Rights (SDR) to a new currency. The review also recommended the establishment of an inter-agency committee of the four participating CROP governing bodies to support and facilitate recommendations and decision-making in relation to implementation of CROP harmonisation.

RECOMMENDATIONS

47. CRGA recommends that Conference approve:
- i. retention of the principle of CROP harmonisation, while endorsing the need to update the guiding principles and strategies to ensure a balance between consistency and flexibility;
 - ii. SPC engaging with the future inter-agency committee on remuneration of the four CROP agencies;

- iii. provide more analysis of the suggested provision of bonuses for high performers and the existing performance management system no later than CRGA 46;
- iv. refer to the inter-agency committee, the issues of:
 - a. creation of a separate salary band for the position of SPC Director-General, consistent with the recommendation of the triennial review;
 - b. extension of the reference market for positions advertised internationally to include the United States of America and organisations under the International Civil Service Commission;
 - c. adoption of the US dollar or the Euro as a new reference currency for SPC operations.

AGENDA ITEM 9.4 B: ANNUAL MARKET DATA REVIEW AND FISCAL YEAR 2016 SALARY SCALES AND SALARY REVIEW

48. The 2016 SPC salary scales for positions advertised internationally (PAI) and for positions advertised locally (PAL) in each of SPC's four host countries were proposed in accordance with the recommendations of the 2015 CROP Triennial Review. Noting that remuneration harmonisation between CROP members continues to be challenging and that the Pacific Community generally has the lowest salary scales among the CROP agencies, a general salary increase of 2% was recommended across all position types and locations. The cost is provisioned in the 2016 budget. An increase of 4% in the mid-point of all salary bands was also proposed as a means to allow scope for movement to staff at the top end of their bands. This measure will not have a significant budgetary impact. Members also requested that the secretariat include in budget summary documents the total salary mass of the organisation and how it develops and changes over time, especially when CRGA is asked to approve a salary increase.

RECOMMENDATIONS

49. CRGA recommends that Conference approve, with effect from 1 January 2016:
- i. an increase of 4% at the mid-point for all SPC salary scales (international and local), in all locations (Federated States of Micronesia, Fiji, New Caledonia and Solomon Islands);
 - ii. a 2% salary increase for all SPC employees in all locations.

AGENDA ITEM 10: DIRECTOR-GENERAL'S PERFORMANCE ASSESSMENT

(in camera)

50. This agenda item was discussed in camera. CRGA's recommendation will be conveyed in a letter from the Chair of CRGA to the Chair of Conference.

AGENDA ITEM 11: FORTY-SIXTH CRGA: VENUE, CHAIRPERSON AND VICE-CHAIRPERSON

51. The CRGA Rules of Procedure state that CRGA should meet once a year at SPC headquarters in Noumea, except in the years when the Conference is convened, when CRGA meets immediately before the Conference at a venue chosen by the members of the Pacific Community.

RECOMMENDATIONS

52. CRGA recommends that Conference note that:
- i. the venue for the meeting of CRGA 46 in 2016 will be Noumea, New Caledonia, and that members will be advised of the meeting dates in due course;
 - ii. the Chairperson for CRGA 46 will be provided by New Caledonia and the Vice-Chairperson by New Zealand.

AGENDA ITEM 12: STATEMENTS FROM OBSERVERS

53. CRGA noted with interest and appreciation the statement made by the Republic of Singapore and those tabled by GIZ, the Pacific Islands Forum Secretariat, Pacific Islands Development Forum, and Secretariat of the Pacific Regional Environment Programme.

AGENDA ITEM 13: OTHER BUSINESS

54. CRGA received an update on the draft Strategy for Resilient Development in the Pacific (SRDP) prepared jointly by representatives from SPC, PIFS and SPREP.
55. CRGA recommends that Conference:
- i. note the information provided in the joint update on the draft SRDP;
 - ii. support the preliminary procedural measures proposed to address the concerns of member countries relating to the draft SRDP;

- iii. direct the secretariat to continue its active participation in the work to finalise a draft SRDP for submission to the 2016 Pacific Islands Forum Leaders Meeting, Pohnpei, Federated States of Micronesia.

AGENDA ITEM 14: ADOPTION OF CRGA DECISIONS

- 56. CRGA adopted its decisions.
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Proposed CRGA Subcommittee on Strategic Plan Implementation – Draft Terms of Reference

1 Background

- 1.1 CRGA has endorsed the Pacific Community Strategic Plan 2016–2020 (Strategic Plan) and has a duty to play a strong governance role in encouraging and assessing the progress of its implementation.
- 1.2 Accordingly, CRGA has agreed to establish a subcommittee – the CRGA Subcommittee for Strategic Plan Implementation (CRGA Subcommittee) – to assist in overseeing the implementation of the Strategic Plan and to provide regular opinions and advice back to CRGA.
- 1.3 The CRGA Subcommittee is part of ongoing efforts to strengthen accountability and evidence-based decision-making in the Pacific Community, and to enable members to be more effectively engaged in steering the direction and priorities of their organisation.

2 Objective and Scope

- 2.1 The objective of the CRGA Subcommittee is to provide oversight and advice to the senior management team of the secretariat of the Pacific Community (SPC) on SPC's progress in implementing the Strategic Plan, and to provide an opinion on progress back to CRGA.
- 2.2 The CRGA Subcommittee will not have executive authority and, accordingly, any significant issues identified by the CRGA Subcommittee would be referred back to CRGA.
- 2.3 The CRGA Subcommittee will:
 - i. review and provide feedback on the draft Strategic Results Framework before it is presented for endorsement at CRGA;
 - ii. consider performance on progress against the Strategic Results Framework, as described in a brief mid-year update as well as in a full annual Programme Results Report, both of which will be prepared by the secretariat;
 - iii. based on its consideration of these two reports, prepare an annual opinion for CRGA and Conference on SPC's key achievements, challenges and lessons learned;
 - iv. consider the performance described in the findings of the 2018 mid-term review of the Strategic Plan, and provide recommendations to CRGA on any revisions or updates that may need to be made to the Strategic Plan for the remainder of the period of the Strategic Plan;
 - v. consider the performance as described by the findings of the 2020 final evaluation of the Strategic Plan, and provide recommendations to CRGA and Conference on key priorities and issues that the CRGA Subcommittee believes should shape the next strategic plan; and
 - vi. be a reference group for priority setting under the plan

3 Output

- 3.1 The main output of the CRGA Subcommittee will be an annual opinion to CRGA on SPC's progress in implementing the Strategic Plan, as assessed against the Strategic Results Framework. This includes providing recommendations to CRGA on the organisation's priorities and resources allocation for the next year, based on an assessment of SPC's key achievements, challenges and lessons learned.

4 Members

- 4.1 The membership of the CRGA Subcommittee will be determined by CRGA, and ideally will represent the composition of the organisation, in particular to include the following constituencies: Melanesia, Micronesia, Polynesia, metropolitan, and French-speaking members.
- 4.2 Each member should serve on the CRGA Subcommittee for the entire duration of the Strategic Plan period, to ensure consistency in the oversight and monitoring and evaluation functions.

5. Principles

- 5.1 In fulfilling their role, members of the CRGA Subcommittee will be guided by the following principles and considerations:
- i. The principles and priorities identified in the Pacific Community Strategic Plan 2016–2020.
 - ii. The interests of the Pacific Community are paramount. Members of the Pacific Community have their own national interests. However, the primary consideration of members in their capacity as members of the CRGA Subcommittee is on the well-being of the organisation.
 - iii. The CRGA Subcommittee acts in an advisory capacity.
- 6.0 Working arrangements
- 6.1 The CRGA Subcommittee will be supported by officers appointed by the secretariat.
- 6.2 The secretariat will:
- i. support the development of agendas of meetings of the CRGA Subcommittee;
 - ii. facilitate meetings of the CRGA Subcommittee;
 - iii. develop papers and reports for consideration at meetings of the CRGA Subcommittee; and
 - iv. support the presentation of the reports of the CRGA Subcommittee to CRGA and Conference; and
 - v. set proposed dates for meetings of the CRGA Subcommittee at least 8 weeks in advance of such meetings.
- 6.3 The CRGA Subcommittee will normally meet half yearly. It may meet by tele-conference or video conference, or in person, as feasible.

**DECISIONS OF THE FORTY-FOURTH MEETING OF THE
COMMITTEE OF REPRESENTATIVES OF GOVERNMENTS AND ADMINISTRATIONS**

(Noumea, New Caledonia, 4–7 November 2014)

AGENDA ITEM 1: OPENING

1. The 44th meeting of the Committee of Representatives of Governments and Administrations (CRGA 44) opened on 4 November 2014 at SPC headquarters in Noumea, New Caledonia. The meeting was chaired by the Republic of the Marshall Islands with Nauru as Vice-Chair and was attended by representatives of the following members of the Pacific Community – American Samoa, Australia, Cook Islands, Federated States of Micronesia (FSM), Fiji, France, French Polynesia, Guam, Kiribati, Marshall Islands, Nauru, New Caledonia, New Zealand, Niue, Palau, Papua New Guinea (PNG), Pitcairn Islands, Samoa, Solomon Islands, Tuvalu, United States of America, Vanuatu and Wallis and Futuna – and by observers and partners including the European Union, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), Melanesian Spearhead Group, Pacific Disability Forum, Pacific Island Development Forum Secretariat, Pacific Islands Forum Secretariat, Singapore, Secretariat of the Pacific Regional Environment Programme (SPREP), Timor Leste, University of the South Pacific, and World Health Organization.

AGENDA ITEM 2: DIRECTOR-GENERAL'S REPORT

2. The Director-General's report on his first year as CEO showed SPC is a sound organisation, recognised for its world-class scientific and technical expertise in several areas. The challenge for SPC is 'how to do better' to enhance the development effectiveness of this work – within resource constraints – and its impact in member countries, recognising their different needs and capacities. CRGA has a strategic and active role in ensuring that SPC is better positioned to address the region's major challenges including through decisions on priority setting, resource allocation, monitoring and evaluation of in-country development impacts, and a long-term approach to the financing of its work. The Director-General acknowledged the signing of a new multi-year partnership with Australia and its generous commitment to continue the transition from project to programme funding, and the announcement by New Zealand of a new partnership agreement to be signed shortly and New Zealand's commitment to continue discussions on multi-year funding. Members expressed support for the secretariat's priorities for 2015, which are to implement CRGA's decisions, particularly in relation to governance and resources; actively participate in dialogue on the regional architecture, acknowledging the roles and comparative advantages of individual organisations and the current challenges of CROP (Council of Regional Organisations in the Pacific) harmonisation; management of the change process at SPC including implementation of a programming approach to cross-sector work on climate change/disaster risk management and non-communicable diseases; and development of a new corporate strategic plan in collaboration with members; finalisation of partnership agreements with existing and new partners; and realisation of the Pacific Village in Suva.
3. CRGA:
 - i. acknowledged the major challenges facing SPC in the medium term;
 - ii. noted the priorities for the technical divisions in the medium term;
 - iii. noted the likely impact of the implementation of the programming approach;

- iv. recognised the outlook for SPC's financial situation from 2016 onwards;
- v. supported the agenda for change designed to position SPC for the future, enhance the effectiveness of the work it does with and for members, and secure sustainable financing for the organisation.

AGENDA ITEM 3 – GOVERNANCE REVIEW

- 4. CRGA 43 and the 8th Conference directed the secretariat to commission a review of its governance processes in 2014, with the findings and recommendations of the review to be presented to CRGA 44. The review was steered by a Governance Working Group comprising representatives from the secretariat and 11 member countries and territories: Australia, Fiji, Federated States of Micronesia (FSM), France, French Polynesia, New Caledonia, New Zealand, Niue, Republic of the Marshall Islands (RMI), Solomon Islands and the United States of America. The outcome of the review was discussed with the whole membership at a Special Session of CRGA on 4 November 2014, which acknowledged the dedicated efforts of the Working Group, and presented the following recommendations for improved governance of SPC for CRGA approval.

- 5. CRGA agreed to:
 - A. REFORMS TO CURRENT GOVERNANCE ARRANGEMENTS
 - 1. Improve the effectiveness of CRGA**
 - a. Develop clear terms of reference (TOR) for CRGA including level of authority, standing orders, meeting processes, and structure of recommendations and to also include:
 - i. TOR for the Chair of CRGA; and
 - ii. guidance for members in selection of representatives.
 - b. Institute induction for members, to be facilitated by an external consultant, expected before the November 2015 CRGA meeting (to avoid additional travel costs), to be repeated on an 'as needed' basis for new members.
 - c. Adopt a principle of continuity of representation. Members will seek to retain the same representatives over a period of time to allow continuity of perspectives and experience. Each member will also seek to ensure there are at least two representatives involved. These representatives are to be determined by each member. SPC will cover the costs for one representative from each Pacific Island member country or territory to attend CRGA/Conference.
 - d. Ensure all papers are provided a minimum of 10 working days before CRGA. Papers provided by the secretariat should clearly request decisions rather than simply ask for agreement or noting of recommendations.
 - e. Introduce a decision tracking system to monitor implementation of CRGA decisions; this will also enable the Secretariat to regularly report to members.
 - f. During CRGA, allow time for delegates to assess and rate CRGA's performance and suggest improvements.
 - g. Support CRGA via a dedicated (part-time) staff member allocated to the purpose.
 - h. Recognise SPC has one governing body, the Conference of the Pacific Community, which delegates its authority to CRGA to act on its behalf between sessions. This clarifies the role of ministerial/sector heads meetings as important and influential advisory meetings but with no governance role in respect to SPC.

2. Adjust times and location of CRGA meetings

- a. Continue annual CRGA meetings but align meeting times with SPC's financial year so reports are more relevant and timely. As the financial year ends 31 December, move CRGA meetings to May or June (at times that suit members and the timing of other regional meetings), commencing 2016. Given the new timing for CRGA, CRGA will approve a revised budget for the current year as well as a budget outlook for the following two years (e.g. CRGA 46, to be held in May 2016, will approve a revised budget for 2016, as well as a budget outlook for 2017–2018).
- b. Shorten the CRGA meeting to two days commencing November 2015.
 - i. Additional days may be used for induction/training of CRGA members, or for members to focus on specific regional issues in which SPC engages.
- c. Adjust the location of CRGA meetings.
 - i. In years where only CRGA is held, it will take place in either Noumea at the headquarters of the organisation, or in Suva.
 - ii. In years where the Conference is also held, countries have the opportunity to host the meeting provided they cover the additional costs to SPC, including the costs of hosting CRGA.
 - iii. If no member offers to host the Conference, it will take place in either Noumea at the headquarters of the organisation, or in Suva.

3. Provide specific support to the Chair of CRGA and the Director-General

- a. Arrange specific induction and training for the Chair.
- b. Establish a troika of Chairs (past, present and future) with clear TOR to have quarterly meetings with the Director-General (teleconference), engage with the broader membership on SPC developments and promote the work of SPC through media, launches, etc. The positions of past, present and future Chair will continue to be held for periods of one year rotating in alphabetical order through all CRGA members.

4. Clarify the role of the Conference of the Pacific Community

- a. Clarify the TOR of the Conference:
 - i. To appoint the Director-General.
 - ii. To consider major regional policy issues and SPC's strategy for addressing them
 - iii. To approve changes to Financial and Staff Regulations approved by CRGA.

USE OF SUB-COMMITTEES

5. Increase member engagement through a limited number of time-bound working groups and sub-committees

- a. For the purpose of this paper, *sub-committee* refers to a group established by CRGA to focus on governance issues. A sub-committee may have external representatives if this is acceptable to CRGA. It is envisaged sub-committees will analyse and interrogate issues on behalf of CRGA and will report back to

CRGA with recommendations on any significant decisions required. As such, sub-committees will not have executive authority (i.e. they won't be able to make any significant decisions on behalf of CRGA).

Working group refers to a group established by the Director-General to advise on management issues.

- b. While recognising other organisations use sub-committees, the Governance Working Group was cautious not to recommend a suite of sub-committees, principally due to concerns relating to cost and effectiveness. Instead the following is proposed:

6. Direct the Audit and Risk Committee (ARC) to include a particular focus on advising CRGA on the SPC budget and major asset acquisitions.

The ARC was established in 2013 and is an example of CRGA delegating work to independent external expert representatives.

- a. In addition to designated current activities, this would include:
 - i. Budget: Offering a brief assessment and an opinion for CRGA on the budget papers prepared for CRGA (and any interim budget papers), and if required making specific recommendations.
 - ii. Assets: Providing advice, guidance and recommendations to CRGA, as appropriate, regarding the financial impact of operating costs resulting from major new acquisitions.
- b. This would reinforce the provision of expert and informed advice to CRGA on key financial issues for which it has responsibility, including financial risk, budget, and major assets.
- c. This request falls into the current remit of ARC, has no implications for its present composition or meeting arrangements, and is consistent with the ARC Charter.

7. Establish a sub-committee to focus on the new Corporate Strategic Plan (to be endorsed by CRGA and approved by Conference in November 2015). This sub-committee will be based on constituency representation where possible, and be open to voluntary participation and limited external stakeholders, if required.

- a. This sub-committee will be established by CRGA 44 in 2014 and initially operate for 12 months. It is envisaged it will meet once face-to-face and up to three times via teleconference. Based on the TOR to be developed, its focus will be to provide oversight, direction, analysis, contestability and advice regarding the secretariat's development of the new Corporate Strategic Plan (CSP). This will include SPC's role and approach to development effectiveness.
- b. This sub-committee (ideally comprising around eight members) and CRGA will determine which constituencies these members will be drawn from and whether external stakeholders (e.g. the European Union) or independent experts may participate. It will also be open to voluntary participation by members.
- c. CRGA could evaluate whether there may be a longer-term role for such a sub-committee in monitoring the ongoing relevance of the Corporate Strategic Plan or whether this can be done by CRGA itself.

8. Continue the SPC Governance Review Sub-committee to monitor and evaluate the implementation of the CRGA governance reforms and make recommendations to CRGA and Conference in 2015.

- a. It is envisaged the Governance Review Sub-committee will meet by teleconference twice during the year, once in May 2015 and again prior to CRGA 2015.
- b. The Governance Review Sub-committee will look at the extent to which these recommendations have been implemented.

- c. It will also determine which recommendations should be approved by Conference in 2015.
- d. It may advise, based on early experience, whether further reforms are necessary.

PLACING SPC WITHIN A PACIFIC-WIDE ORGANISATIONAL GOVERNANCE CONTEXT

- 9. **Initiate a more substantive debate about streamlining regional meetings and regional mechanisms** (including CRGA and Conference) and further enhancing the complementarities, efficiency and effectiveness of the CROP (Council of Regional Organisations in the Pacific) system as a whole. This could include:
 - a. exploring opportunities for efficiency gains in hosting joint/concurrent regional meetings, recognising some adjustments may be necessary to reflect differing memberships. This work should take into account and complement similar initiatives in the Pacific.
 - b. directing SPC's Director-General to liaise with the Secretary General of the Pacific Islands Forum Secretariat, as CROP Chair, to explore the feasibility of commissioning a joint study on how regional complementarities could be enhanced and regional mechanisms and meetings improved.

AGENDA ITEM 4 – MEMBERSHIP POLICY

AGENDA ITEM 4.1 – TIMOR LESTE MEMBERSHIP

- 6. CRGA 43 and the 8th Conference of the Pacific Community adopted a resolution extending the territorial scope of the Pacific Community to include Timor Leste and thereby accommodate a potential formal request for membership of the organisation. According to the process, the resolution comes into force after one year, assuming that no member lodges an objection. On 19 November 2014, the one-year period will expire. If no objections have been received, the Pacific Community can then invite Timor Leste to join. SPC proposes the following procedure: on 20 November 2014, SPC will contact the Government of Australia to ensure that no objections have been received. Assuming there are no objections, SPC will extend an invitation to Timor Leste on behalf of all members to join the Pacific Community. SPC will then undertake negotiations with Timor Leste on the financial implications of membership, noting that Timor Leste has already been informed it would fall into category 1 for assessed contributions. Once Timor Leste formally accedes to the treaty, the membership will be informed. Timor Leste will then be formally recognised as a member of the Pacific Community at the next Conference, assuming the process has been completed by then.
- 7. CRGA:
 - i. approved the proposed procedure for extending membership to Timor Leste;
 - ii. welcomed Timor Leste's statement reiterating its wish to become a member of the Pacific Community;
 - iii. authorised the secretariat to continue to liaise with Timor Leste on all matters related to its interest in becoming a Participating Government of the Pacific Community.

AGENDA ITEM 4.2 – UPDATE ON SPC MEMBERSHIP AND OBSERVER STATUS

8. CRGA 43 mandated the secretariat, together with a working group composed of member countries and territories, to explore how new categories of Associate Member and Observer might be created and to develop an SPC policy on membership and observer status. In particular, the formal creation of new membership categories was seen as a means to respond to the shared desire of SPC and the European Union for greater institutional recognition of the EU's role as an important partner of the Pacific Community. Several exchanges between founding members have since taken place due to a difference of opinion on the legal procedure for effectively creating such new categories and some outstanding issues remain to be resolved. Further work will be done to attempt to resolve these issues to the satisfaction of all members. As an alternative means of providing the secretariat with a tool for recognising more institutional forms of partnership, and to take account of recent discussions with EU, the secretariat proposed the adoption of Permanent Observer Status, consistent with the United Nations practice, and the development of a Memorandum of Understanding with EU to reflect the close partnership between EU and SPC.
9. CRGA:
 - i. mandated the secretariat to conclude a non-binding Memorandum of Understanding with the European Union to recognise the special partnership between EU and SPC;
 - ii. decided not to amend the Canberra Agreement at this time to provide for new categories of Associate Member and Observer;
 - iii. endorsed the secretariat's proposal to follow United Nations practice and allow for Permanent Observer Status to be granted to states and intergovernmental organisations by means of unanimous resolution;
 - iv. mandated the working group on membership to develop an SPC Policy on Permanent Observer Status, which would set out the criteria, admission procedure, rights and obligations of any entity wishing to request such status with the Pacific Community, and to provide this policy to the 9th Conference of the Pacific Community for adoption;
 - v. mandated the working group on membership to consider the specific case of the European Union and make recommendations that would ensure a harmonised approach between Permanent Observers and the EU.

PACIFIC GENDER AND CLIMATE CHANGE TOOLKIT

10. The multi-dimensional impacts of climate change and the need to put people at the centre of climate change adaptation and mitigation strategies were highlighted with the launch of the Pacific Gender and Climate Change Toolkit at CRGA 44. The toolkit, which was developed by SPC and the German Agency for International Cooperation (SPC-GIZ), in collaboration with the United Nations Development Programme, UN Women, and the Secretariat of the Pacific Regional Environment Programme (SPREP), aims to support countries in developing inclusive, gender-responsive strategies to climate change and to provide concrete tools for climate change advisers/project managers to undertake gender analysis at different stages of the project cycle. The launch of the toolkit at CRGA 44 provided an opportunity to discuss the socio-economic dimensions of vulnerability, including the exclusion of women from decision-making and access to assets likely to increase their resilience. In addition to the toolkit, SPC and GIZ are developing a regional pool of experts who can provide advice and support the integration of a gender perspective in climate change initiatives. The toolkit is available on the Pacific Climate Change Portal.

AGENDA ITEM 5 – PROGRAMMES DIRECTORATE REPORT

AGENDA ITEM 5.1 – REPORT ON PROGRAMME RESULTS

11. SPC's first Programme Results Report highlights key results achieved in 2013–2014 across a broad range of sectors. The report, which represents a change in the way SPC presents its work to CRGA, was developed in response to members' guidance on institutional focus and direction. It marks an important evolution in SPC's continuing effort to increase the effectiveness of its development support to members and the impact of its work, including through implementing a multi-sectoral approach to development issues such as non-communicable diseases and resilience to climate change. Country programme reports were also presented for each of SPC's 22 island members. CRGA expressed appreciation for the succinctness and readability of the reports, while noting the complexity of the task of monitoring and evaluating the effectiveness of SPC's work. Suggestions for future reporting included more emphasis on disaggregated data (e.g. in relation to disability, gender and youth); analysis on adequacy of progress; information on the financial value of specific projects/programmes in countries; and opportunities for countries to rate programme effectiveness as part of a feedback cycle. In addition, delegates were asked to respond to a series of questions on SPC's first Programme Results Report, including the content and level of detail. CRGA also noted the value of the exhibition of SPC programme activities that was held concurrently with the meeting and the opportunities presented to discuss the work of SPC's technical divisions.

12. CRGA:
 - i. endorsed the presentation of SPC's first Programme Results Report (2013–2014) and its emphasis on how SPC's work contributes to members' long-term sustainable development goals;
 - ii. endorsed SPC's increased focus on an integrated, multi-sector approach and the organisational changes being made to facilitate this approach.

AGENDA ITEM 6 – CORPORATE AGENDA FOR CHANGE: DEVELOPMENT EFFECTIVENESS, RESULTS AND RESPONSIVENESS

AGENDA ITEM 6.1 – ENHANCING PROGRAMME EFFECTIVENESS AND IMPACT/DEVELOPMENT EFFECTIVENESS

13. Following the 2012 Independent External Review, the SPC Corporate Strategic Plan (2013–2015) emphasised the importance of increased focus on development outcomes and results, and of doing business differently. The Plan identified several organisational goals to improve the development effectiveness of SPC's work, which will also be reflected in the new Corporate Strategic Plan (2016–2020). In an interactive session, CRGA delegates divided into six groups to discuss (1) SPC's engagement with members, and (2) SPC's expenditure on monitoring, evaluation and learning. The group feedback will provide preliminary guidance for the development of the new strategic plan.

14. CRGA:

In relation to SPC's engagement with members

- i. considered there were many advantages of in-country representation but expressed concern about costs. Two groups preferred option 2 (more country focal points based at SPC); three groups preferred option 4 (in-country representatives in each country). Three of the groups also suggested better coordination and collaboration among CROP agencies at the country level through an in-country focal point at national or sub-regional level, noting the examples provided by placement of officers in country by UN agencies and the Pacific Islands Forum Secretariat.

In relation to SPC's expenditure on monitoring, evaluation and learning (MEL)

- ii. expressed general agreement on the need for increased investment in MEL to establish improved MEL systems and processes. Five groups chose option b (small increased investment in MEL to improve quality and programme impact, moving towards 4% of programme funding); and one group chose option c (substantial investment in MEL [in the immediate short term] to provide a strong focus on quality, effectiveness and innovation).

AGENDA ITEM 6.2 – STRATEGY FOR CLIMATE AND DISASTER RESILIENT DEVELOPMENT IN THE PACIFIC

15. The draft Strategy for Climate and Disaster Resilient Development in the Pacific (SRDP) is a new regional policy instrument aimed at building the resilience of Pacific Island communities, including vulnerable groups, through integrated management of climate change and disaster risks. Development of the SRDP has included extensive engagement and consultation (face-to-face and online) with stakeholders at national and regional levels – Pacific Island governments and administrations, CROP agencies, civil society organisations, the private sector, and development partners. This process has been guided and supervised by a steering committee comprising representatives from regional governments and administrations, the private sector and civil society. After it is endorsed, the SDRP will succeed the current Pacific Islands Framework for Action on Climate Change 2006–2015 and Pacific Disaster Risk Reduction and Disaster Management Framework for Action 2005–2015. CRGA noted the planned development of a results-based management framework as a tool for SRDP monitoring, evaluation, reporting and learning and stressed the need for careful use of existing resources and institutions in implementing the strategy when it is finalised and endorsed.

16. CRGA:

- i. recognised that natural hazards, including the impacts of climate change, pose significant risks to achieving the sustainable development objectives of Pacific Island countries and territories;
- ii. noted the progress made by Pacific Island countries and territories in developing integrated climate and disaster risk management approaches at national and regional level;
- iii. approved taking the draft Strategy for Climate and Disaster Resilient Development to the next phase, provided an updated draft takes into account concerns raised by members including governance operations, optimal use of existing financial and institutional resources, implementation and results;
- iv. directed the Director-General of SPC to liaise with other CROP heads to discuss the manner in which the Pacific Resilience Partnership is to be supported and resolve any concerns prior to the 2015 Pacific Islands Forum Leaders Meeting.

AGENDA ITEM 6.3 – SECRETARIAT OF THE PACIFIC BOARD FOR EDUCATIONAL ASSESSMENT (SPBEA) REPORT

17. The CRGA Joint Working Group on the SPBEA Review presented to CRGA 43 was commissioned to ‘further assess the optimum approach and resources required to take the recommendations forward’. It was established in February 2014 and chaired by the Kiribati High Commissioner in Fiji, with other members from Australia, Federated States of Micronesia, Fiji, Nauru, Papua New Guinea, Marshall Islands, New Zealand, Solomon Islands, and SPC. (Note: SPBEA – Secretariat of the Pacific Board for Educational Assessment became SPBEQ – Secretariat of the Pacific Board for Educational Quality in early 2014.) The report by the Working Group highlighted the organisational and staffing structure changes made to align operations with the review recommendations. In view of financial and human resources constraints, it was agreed that a phased implementation approach should be adopted, and following a rationalisation exercise, a schedule and resourcing options were drawn up. The total number of positions recommended by the original review was reduced from 72 to 38, requiring 10 more staff to be recruited in the 2014–2016 period. Full implementation of the phased programme will depend on the availability of funds as detailed in the resourcing options section of the report. The SPBEQ Strategic Plan 2014–2016, which reflects the expanded mandate of the board with the strategic goal of improved quality of education, was tabled for approval by CRGA.
18. CRGA:
- i. noted the Report of the Joint Working Group on the SPBEA Review;
 - ii. directed the secretariat to further analyse and refine the phased implementation plan developed by the Joint Working Group, noting the need to stay within the resources currently available;
 - iii. endorsed in principle the SPBEQ Strategic Plan 2014–2016 subject to the results of recommendation ii.

AGENDA ITEM 7 – OPERATIONS AND MANAGEMENT DIRECTORATE REPORT

AGENDA ITEM 7.1 – AUDIT AND RISK COMMITTEE REPORT

19. The Audit and Risk Committee (ARC) was established at CRGA 42 in 2012. At that meeting CRGA also endorsed the committee’s charter and a charter for progressing and strengthening an internal audit function at SPC. The committee met three times in 2014 and in the course of the year approved SPC’s adoption of the International Public Sector Accounting Standards (IPSAS) Framework; an assurance framework to provide a structure for the internal audit and risk function; a strategic risk plan; and a three-year internal audit and risk plan outlining the audit coverage to be provided over the following three years. ARC noted that the external auditors would be providing an unqualified audit opinion on the 2013 accounts and had commended the strong compliance culture of the organisation. The committee reviewed the draft of the revised Financial Regulations for SPC, which provide a framework to govern its financial administration and activities. The regulations are supported by financial policies and procedures as well as financial delegations approved by the Director-General. CRGA noted that under the proposed regulations, the Director-General may enter into borrowing arrangements but only from a member country or development partner and with the specific approval of CRGA. Following a formal tender process, the committee appointed Ernst and Young to undertake the three-year work plan for internal auditing and recommended that PricewaterhouseCoopers be appointed external auditors for the 2014–2016 period. CRGA expressed appreciation for ARC’s work and for Australia’s support of this important mechanism.

20. CRGA:

- i. noted the report from the Chair of the Audit and Risk Committee;
- ii. approved the appointment of PricewaterhouseCoopers as external auditor of SPC for the period 2014–2016;
- iii. approved the Financial Regulations.

AGENDA ITEM 7.2 – FINANCIAL STATEMENTS FOR 2013 AND STATUS OF MEMBERS’ ASSESSED CONTRIBUTIONS AND HOST GRANTS

21. In accordance with SPC’s financial regulations, the secretariat presented the audited 2013 SPC financial statements and audit reports for the consideration of CRGA, noting that the records for both SPC’s overall finances and the staff provident fund had received unqualified audit opinions for the 18th year in succession. CRGA was also updated on the status of membership contributions: as at 7 October 2014, 16 of SPC’s 26 members had fully settled their assessed contributions to SPC. The majority of members had made significant efforts to make payments in full or part during the year. Three members had not made payments in 2014, with one member having been in arrears for over 14 years. The secretariat has made active efforts over several years to encourage members with long-standing arrears to enter into a payment plan and acknowledged the payments made by Nauru under such a plan. CRGA recognised that payment of contributions was important in reflecting ownership and support of SPC.

22. CRGA:

Concerning the 2013 financial statements:

- i. accepted the 2013 audited financial statements as unqualified, presenting a true and fair view of the financial position and financial performance of the secretariat and of its staff provident fund and noted that proper accounting records had been kept;

Concerning the status of assessed contributions:

- ii. acknowledged the significant efforts made by many members;
- iii. requested those members with outstanding contributions, in particular those with arrears, to settle these as early as possible;
- iv. requested members in financial difficulties to agree on a payment plan with the secretariat;
- v. directed the Director-General to lead a mission focused on the issue of long-standing arrears to explore all options and present these to CRGA 45 and the 9th Conference in 2015.

AGENDA ITEM 7.3 – REVISED BUDGET FOR 2014 AND PROPOSED BUDGET FOR 2015

23. SPC’s revised budget for 2014 and proposed budget for financial year 2015 were presented for consideration and endorsement by CRGA. The revised 2014 budget was a balanced budget, totalling 110.401 million CFP units (core funding 30.841 million CFP units, project funding 79.560 million CFP units) in income and expenditure.

Overall, the 2014 revised budget reflected an increase of 15.044 million or 15.8% compared to the original budget of 95.3574 million CFP units. For 2015, the secretariat proposes a balanced 2015 budget of 110.951 million CFP units, comprising the core budget of 32.97 million CFP units and project funding of 77.981 million CFP units. CRGA was informed of a projected deficit of 1.126 million CFP units and 2.681 million CFP units in the 2016 and 2017 core-funded budgets and advised that the secretariat would not be able to invest funds towards building SPC's reserves in the 2015 budget, nor in the 2016–2017 budgets. In light of these projections, SPC will need to consider prioritisation of services, continue to control costs internally, and implement cost recovery mechanisms. In the short to medium term, the secretariat will also need to significantly increase its resource mobilisation capacity. CRGA was informed that discussions were continuing with New Caledonia, Fiji, Federated States of Micronesia and Solomon Islands on the question of payment of increased host grants, as agreed at CRGA 43 and the 8th Conference.

24. CRGA:

- i. approved the proposed budget for financial year 2015;
- ii. noted the serious budgetary situation for 2016 and 2017;
- iii. noted the update on SPC's reserves.

AGENDA ITEM 7.4 – REPORTS ON HUMAN RESOURCES: STAFF DEVELOPMENT AND RETENTION

25. A recent survey of SPC staff engagement showed a high level of commitment to SPC's mission and purpose. Nevertheless, SPC experiences difficulties in attracting and retaining the best possible talent for development in the Pacific Islands. These difficulties include salary levels for internationally recruited staff and lack of job security resulting from fixed-term contracts. The maximum length of contract for all employees is three years. For staff recruited internationally, contracts may be renewed after three years but positions must be advertised after six years (the 'six-year rule'). This practice creates uncertainty for staff, who may be world specialists in their fields, can promote early resignation, generates a heavy recruitment workload and costs (1,300,000 CFP units in 2014) and adversely affects staff development opportunities. For all of these reasons, the secretariat requested CRGA to allow flexibility of contract renewal for internationally recruited staff in salary bands 8 to 14 (excluding Director-level staff and above) and longer-term tenure for locally recruited staff. It was noted that the proposal was not to offer open-ended contracts but to introduce a more flexible system of contract renewal, underpinned by an enhanced SPC performance management system and based on the organisation's skill needs.

26. CRGA:

- i. acknowledged the secretariat's ongoing challenges in attracting and retaining talented people;
- ii. acknowledged that this situation may undermine SPC's capacity to deliver high-quality services to members;
- iii. approved the new Staff Regulations, including Section 12 of the Employment and Remuneration Regulations;
- iv. requested that the Director-General share this approach with CROP heads for discussion, in the spirit of harmonisation.

AGENDA ITEM 7.5 – ANNUAL MARKET DATA REVIEW AND FISCAL YEAR 2015 SALARY SCALES AND SALARY REVIEW

27. CRGA was presented with conclusions and recommendations based on the 2014 annual market data review of the three reference markets used to benchmark the salaries of CROP agencies for positions advertised internationally and for positions advertised locally in each of SPC's four host countries. In particular, CRGA's attention was drawn to the lack of harmonisation between CROP agencies and to the need to find solutions in order for SPC to remain competitive as an employer. CRGA noted that a CROP review of reference markets is to be undertaken in the context of the triennial remuneration review in 2015.
28. CRGA:
- i. approved a cost neutral update of the midpoint for all salary bands for positions advertised internationally of 2%;
 - ii. approved a cost neutral update of the midpoint for all salary bands for positions advertised locally in Fiji of 2%;
 - iii. approved a cost neutral update of the midpoint of salary bands 1, 2 and 3 for positions advertised locally in Noumea of 10%;
 - iv. approved a cost neutral update of the midpoint for all salary bands for positions advertised locally in the Federated States of Micronesia and Solomon Islands of 1%;
 - v. approved a market salary increase of 1.5% for all staff in all locations, with the exception of members of the Senior Leadership Team;
 - vi. noted that a review of salary reference markets is to be undertaken by CROP and requested the secretariat to inform CRGA of the results in due course.

AGENDA ITEM 7.6 – OPERATIONS AND MANAGEMENT: PERSPECTIVES AND INITIATIVES

29. CRGA noted the significant steps taken by the Operations and Management Directorate (OMD) in 2014 to ensure that its services (administration, human resources, finance, ICT, library, publications and translation/interpretation) meet the organisation's needs. OMD will undertake or complete several initiatives in 2015, including essential upgrading of SPC's ICT infrastructure and services, rationalisation of some services, a new internal budget procedure and an upgrade of the financial system (NAV 2013) to provide access to real-time financial information across the whole of the organisation. CRGA particularly noted the initiative by SPC's Solomon Island Office to implement an internship programme for people with disabilities and the suggestion that this programme could be mainstreamed in SPC.
30. CRGA:
- i. noted and endorsed the Operations and Management Directorate's continued commitment to improving services across SPC;
 - ii. noted the significant resources required to implement many OMD initiatives;
 - iii. endorsed increased investment of SPC resources to strengthen OMD services, particularly in ICT.

AGENDA ITEM 8 – THEMATIC SESSION: MULTI-SECTOR APPROACH TO ADDRESSING NCDs IN THE PACIFIC – MOVING AHEAD TOGETHER

31. Most of the determinants of non-communicable diseases (NCDs) lie outside the health sector. Sectors such as finance, economics, trade, justice, education, agriculture, fisheries and transport all affect the development of NCDs in Pacific populations, reflecting that people’s environment is highly important in the increasing incidence of these diseases. The Pacific NCD crisis can only be addressed by a multi-sector approach involving all relevant sectors and incorporating a ‘Health in All Policies’ approach. SPC is involved in several initiatives to strengthen the multi-sector approach to NCDs, not only across the organisation but also in interactions with members and partners, noting that current efforts to combat, prevent and reduce NCDs are not enough. Recent initiatives include the establishment of the Pacific NCD Partnership, which aims to strengthen and coordinate the capacity and expertise needed to support Pacific Island countries and territories, and the NCD Roadmap, which was developed in response to demands from Forum Economic Ministers for economic solutions to NCDs. Trade Ministers have also recognised the importance of a balanced approach to public health issues and the need for trade and health officials to work together. In SPC, an NCDs/Food Security Working Group, which includes all divisions, has been set up to strengthen the multi-sector approach.
32. CRGA:
- i. endorsed SPC’s multi-sector approach to NCDs;
 - ii. advocated that member countries prioritise multi-sector approaches to NCDs and implementation of policies and actions to address NCDs.

AGENDA ITEM 9 – PACIFIC FRAMEWORK FOR REGIONALISM AND STATEMENTS FROM OBSERVERS

Presentation by Pacific Islands Forum Secretariat

33. Pacific Leaders endorsed the Framework for Pacific Regionalism at their meeting Palau in July 2014, calling for countries to work more closely together in support of shared objectives. A key aim of the framework is to improve the focus and effectiveness of Leaders meetings and other regional mechanisms, in pursuit of regionalism. While implementation of the Framework is already underway, the Specialist Sub-Committee for Regionalism is yet to be established and identification of high-order priorities for oversight by Leaders, are yet to be determined.
34. CRGA:
- i. noted with appreciation that all countries and territories, including non-Forum members, had been consulted in the development of the framework and looked forward to further information on its implementation;
 - ii. noted with interest and appreciation the statements made by observers from the European Union, Pacific Disability Forum, Pacific Island Development Forum, Secretariat of the Pacific Regional

Environment Programme (SPREP), World Health Organization (who spoke on behalf of all United Nations agencies based in the Pacific) and the Ambassador of the Republic of Singapore to the Pacific Islands Forum. A statement from the University of the South Pacific was handed to the secretariat for inclusion in the meeting report.

AGENDA ITEM 10 – FORTY-FIFTH CRGA: VENUE, CHAIRPERSON AND VICE-CHAIRPERSON

35. CRGA:

- i. noted that the venue for the 2015 meeting of CRGA 45 and the Ninth Conference of the Pacific Community will be Alofi, Niue, and that members will be advised of the meeting dates in due course; and
- ii. noted that the Chairperson for CRGA 45 will be provided by Nauru and the Vice-Chairperson by New Caledonia.

AGENDA ITEM 11 – EVALUATION OF CRGA 44

36. Delegates were asked to respond to a series of questions on the meeting format, content and discussions of CRGA 44.

AGENDA ITEM 12 – OTHER BUSINESS

37. The following items were noted by CRGA:

Festival of Pacific Arts

38. The representative of Guam invited all delegates to attend the 12th Festival of Pacific Arts, which will be held in Guam from 22 May to 4 June, 2016.

Update on the transfer of the CETC Development Course to USP in 2014

39. To mark the transfer of the CETC Development Course to the University of the South Pacific (USP) from 2014, SPC has offered 16 scholarships for the completion of the new Certificate in Community Development and Diploma in Social and Community Work. SPC further discussed the fee structure for these courses with USP, as non USP member students pay a much higher fee than the regional fees charged for students from USP member countries. The USP Council, at its meeting last week, approved the application of the regional fee for the Certificate in Community Development only, under the Centre for Vocational and Continuing Education, to SPC members. Students from non-USP countries can benefit from the regional fee offer.

Visit by the French President to SPC

40. The Director-General announced that the President of France will visit SPC headquarters on 17 November 2014. Pacific leaders have been invited to participate in a high-level dialogue on climate change at SPC. The invitation has been accepted by several leaders.

41. The representative of France confirmed the visit of the President, and announced that a roundtable would take place at SPC prior to the dialogue with the President of France and that heads of delegation would be invited to a dinner with the President and officials of the Government of New Caledonia.

AGENDA ITEM 13 – ADOPTION OF CRGA DECISIONS

42. CRGA 44 adopted its decisions.

SPC Budget 2016

INCOME AND EXPENDITURE BUDGET
(in CFP units: 1 unit = 100 CFP Francs)

	2015	Revised 2015	2016	2017	2018
INCOME					
CORE FUNDING					
UNRESTRICTED CORE INCOME:					
Assessed contributions :					
Metropolitan Members	9,167,665	9,167,665	9,167,665	9,167,665	9,167,665
Island Members	2,113,600	2,113,600	2,113,600	2,113,600	2,113,600
Subtotal	11,281,265	11,281,265	11,281,265	11,281,265	11,281,265
Host Grants					
Fiji	40,000	40,000	40,000	40,000	40,000
New Caledonia	60,000	60,000	340,000	340,000	340,000
Solomon Islands	50,000	50,000	50,000	50,000	50,000
Subtotal	150,000	150,000	430,000	430,000	430,000
TOTAL ASSESSED CONTRIBUTION & HOST GRANTS	11,431,265	11,431,265	11,711,265	11,711,265	11,711,265
General Income:					
Management fees & Recoveries	4,935,400	5,296,800	4,787,700	3,007,300	1,733,500
Student & scholarship fees	355,000	301,200	295,000	336,100	336,100
Bank interest	350,000	350,000	350,000	350,000	350,000
Miscellaneous	128,415	128,415	212,815	128,415	128,415
Subtotal	5,768,815	6,076,415	5,645,515	3,821,815	2,548,015
Programmefunding					
Australia	8,486,000	8,486,000	9,266,000	9,266,000	9,266,000
France	363,920	363,920	363,920	363,920	363,920
New Caledonia	220,000	220,000			
Subtotal	9,069,920	9,069,920	9,629,920	9,629,920	9,629,920
TOTAL UNRESTRICTED CORE INCOME	26,270,000	26,577,600	26,986,700	25,163,000	23,889,200
Reserves transfers from (to)					
General Reserve		604,700			
Carried forward funds	1,240,000				
Total transfers	1,240,000	604,700			
TOTAL CORE INCOME & TRANSFERS	27,510,000	27,182,300	26,986,700	25,163,000	23,889,200
RESTRICTED FUNDING					
Australia	3,920,000	5,529,300	5,443,100	3,520,000	1,920,000
New Zealand	780,000	2,655,500	2,270,100		
New Caledonia	760,000	760,000			
TOTAL RESTRICTED FUNDING	5,460,000	8,944,800	7,713,200	3,520,000	1,920,000
PROJECT FUNDING	77,981,000	77,851,600	58,690,800	28,337,400	13,871,500
TOTAL INCOME	110,951,000	113,978,700	93,390,700	57,020,400	39,680,700
EXPENDITURE					
Core Funded Expenditure	27,510,000	27,182,300	26,986,700	27,760,600	27,707,600
Restricted Funded Expenditure	5,460,000	8,944,800	7,713,200	3,520,000	1,920,000
Project Funded Expenditure	77,981,000	77,851,600	58,690,800	28,337,400	13,871,500
TOTAL (CORE AND PROJECT FUNDED) EXPENDITURE	110,951,000	113,978,700	93,390,700	59,618,000	43,499,100
INCOME LESS EXPENDITURE - SURPLUS / (DEFICIT)				(2,597,600)	(3,818,400)

EXPENDITURE BUDGET

EXPENDITURE BY CHAPTER	2015				Revised 2015			
	Core	Restricted	Project	Total	Core	Restricted	Project	Total
TOTAL INCOME	27,510,000	5,460,000	77,981,000	110,951,000	27,182,300	8,944,800	77,851,600	113,978,700
EXPENDITURE BY CHAPTER								
CHAPTER I – DIRECTOR-GENERAL'S OFFICE AND DEPUTY DIRECTORS GENERAL								
Director-General's Office	1,175,800			1,175,800	1,035,900		430,900	1,466,800
Deputy Director-General(Noumea)	476,300			476,300			325,400	325,400
Deputy Director-General (Programmes)	790,200		12,534,000	13,324,200	344,800		8,797,700	9,142,500
Deputy Director-General (Suva)	239,500			239,500			247,200	247,200
SEPPF	1,102,400		364,300	1,466,700	1,190,700	169,200		1,359,900
Communications and Public Information	422,100			422,100	504,900			504,900
Climate Change and Environmental Sustainability							61,000	61,000
TOTAL CHAPTER I	4,206,300		12,898,300	17,104,600	3,648,900	169,200	9,289,600	13,107,700
CHAPTER II - ECONOMIC DEVELOPMENT DIVISION								
Director's Office	182,500		8,668,100	8,850,600	188,300		6,653,700	6,842,000
Energy	193,700	672,900	2,691,700	3,558,300	198,500	706,700	4,882,600	5,788,800
Transport	193,000	1,196,100	373,500	1,762,600	198,000	1,256,300	846,700	2,301,000
TOTAL CHAPTER II	569,200	1,869,000	11,733,300	14,171,500	584,800	1,963,000	12,303,200	14,931,000
CHAPTER III - EDUCATIONAL, QUALITY AND ASSESSMENT PROGRAMME								
Educational, Quality and Assessment Programme	1,142,800		1,938,600	3,081,400	1,177,200		1,845,200	3,022,400
TOTAL CHAPTER III	1,142,800		1,938,600	3,081,400	1,177,200		1,845,200	3,022,400
CHAPTER IV - FISHERIES, AQUACULTURE AND MARINE ECOSYSTEMS								
Director's Office	308,200			308,200	310,200	118,400	35,000	463,600
Coastal Fisheries	1,403,300	1,174,500	2,692,800	5,270,600	1,403,300	1,235,600	3,128,500	5,767,400
Oceanic Fisheries	1,197,100	1,198,600	4,888,600	7,284,300	1,197,100	1,277,100	6,493,100	8,967,300
TOTAL CHAPTER IV	2,908,600	2,373,100	7,581,300	12,863,000	2,910,600	2,631,100	9,656,600	15,198,300
CHAPTER V - GEOSCIENCE DIVISION								
Director's Office	964,500		229,800	1,194,300	996,800		6,697,800	7,694,600
Disaster Reduction	398,000		8,429,900	8,827,900	411,800		7,967,900	8,379,700
Geoscience for Development	511,200		3,034,400	3,545,600	528,600	800,800	2,372,100	3,701,500
Water and Sanitation	370,000		3,217,400	3,587,400	381,300		4,055,600	4,436,900
TOTAL CHAPTER V	2,243,700		14,911,500	17,155,200	2,318,500	800,800	21,093,400	24,212,700
CHAPTER VI - LAND RESOURCES								
Director's Office	394,600		3,445,700	3,840,300	407,100	382,800	2,416,800	3,206,700
Trade and Agribusiness	672,300		3,215,100	3,887,400	694,400		3,547,900	4,241,900
Sustainable Resource Management	394,600		5,338,400	5,733,000	409,900		4,252,100	4,662,000
Food and Nutritional Security	422,800		374,300	797,100	434,800		1,242,900	1,677,700
TOTAL CHAPTER VI	1,884,300		12,373,500	14,257,800	1,945,800	382,800	11,459,700	13,788,300
CHAPTER VII - PUBLIC HEALTH								
Director's Office	458,100		86,600	544,700	437,900	437,700	49,900	925,500
Research, Evidence and Information	628,000		1,252,300	1,880,300	637,900	925,600	733,800	2,297,300
Grant Management			5,613,200	5,613,200			750,000	750,000
Policy, Planning and Regulation	475,800		482,400	958,200	533,300	680,800	273,300	1,487,400
TOTAL CHAPTER VII	1,561,900		7,434,500	8,996,500	1,609,100	2,044,100	1,807,000	5,460,200
CHAPTER VIII - SOCIAL DEVELOPMENT DIVISION								
Gender, Culture & Youth	852,900		988,600	1,841,500	858,100		1,029,000	1,887,100
Pacific Regional Rights Resource Team			1,662,300	1,662,300			2,082,000	2,082,000
TOTAL CHAPTER VIII	852,900		2,650,900	3,503,800	858,100		3,111,000	3,969,100
CHAPTER IX - STATISTICS FOR DEVELOPMENT								
Statistics for Development	1,125,600	210,300	3,343,500	4,679,400	1,125,600	253,800	3,348,400	4,725,800
TOTAL CHAPTER IX	1,125,600	210,300	3,343,500	4,679,400	1,125,600	253,800	3,346,400	4,725,800
CHAPTER X - OPERATIONS AND MANAGEMENT								
Decentralised Offices:								
North Pacific Regional Office	596,800			596,800	537,100			537,100
Solomon Islands Country Office	245,100		262,500	507,600	251,800		1,042,400	1,294,200
Subtotal	841,900		262,500	1,104,400	788,900		1,042,400	1,831,300
Support Services								
Administration	1,445,400		15,400	1,460,800	1,302,400			1,302,400
Finance	1,213,400		134,900	1,348,300	1,138,200	80,800		1,219,000
Human Resources	1,102,600			1,102,600	1,136,200			1,136,200
Information Communication Technology	1,573,500		9,000	1,582,500	1,602,800		10,500	1,613,300
Library	381,300			381,300	351,300			351,300
Publications	1,158,200			1,158,200	1,056,600			1,056,600
Translation and Interpretation	1,436,600			1,436,600	1,457,900			1,457,900
Subtotal	8,311,000		159,300	8,470,300	8,045,400		91,300	8,136,700
Other								
PIRMCCM			316,500	316,500			357,800	357,800
Subtotal			316,500	316,500			357,800	357,800
TOTAL CHAPTER X	9,152,900		738,300	9,891,200	8,834,300		1,491,500	10,325,800
CHAPTER XI – COMMON CHARGES	1,861,800	1,007,600		2,869,400	2,169,400	700,000		2,869,400
CHAPTER XII - SELF FUNDED UNITS								
Housing Unit			2,213,200	2,213,200			2,200,000	2,200,000
Canteen			164,000	164,000			168,000	168,000
TOTAL CHAPTER XII			2,377,200	2,377,200			2,368,000	2,368,000
TOTAL EXPENDITURE	27,510,000	5,460,000	77,981,000	110,951,000	27,182,300	8,944,800	77,851,600	113,978,700
INCOME LESS EXPENDITURE - SURPLUS/(DEFICIT)								

EXPENDITURE BUDGET

EXPENDITURE BY CHAPTER	2016				2017			
	Core	Restricted	Project	Total	Core	Restricted	Project	Total
TOTAL INCOME	26,986,700	7,713,200	58,690,800	93,390,700	25,163,000	3,520,000	28,337,400	57,020,400
EXPENDITURE BY CHAPTER								
CHAPTER I – DIRECTOR-GENERAL'S OFFICE AND DEPUTY DIRECTORS – GENERAL								
Director-General's Office	1,038,100		569,100	1,607,200	1,045,600			1,430,200
Deputy Director-General (Noumea)	682,800		7,582,100	8,264,900	709,200	384,600	5,298,600	6,007,800
Deputy Director-General (Programmes)			40,000	295,400	248,200			248,200
Deputy Director-General (Suva)	245,400							
SEPPF	1,293,100	140,000		1,433,100	1,306,200			1,306,200
Communications and Public Information	481,100			481,100	484,700			484,700
Climate Change and Environmental Sustainability			243,900	243,900			243,900	243,900
TOTAL CHAPTER I	3,740,500	140,000	8,435,100	12,315,600	3,793,900		5,927,100	9,721,000
CHAPTER II – ECONOMIC DEVELOPMENT DIVISION								
Director's Office	186,400		7,235,100	7,421,500	189,800		1,546,400	1,736,200
Energy	199,800	692,300	2,166,300	3,058,400	199,800		1,585,000	1,784,800
Transport	199,000	1,230,800	189,900	1,619,700	199,000		710,500	909,500
TOTAL CHAPTER II	585,200	1,923,100	9,591,300	12,099,600	588,600		3,841,900	4,430,500
CHAPTER III – EDUCATIONAL, QUALITY AND ASSESSMENT PROGRAMME								
Educational, Quality and Assessment Programme	1,012,700		1,045,400	2,058,100	1,088,800			1,088,800
TOTAL CHAPTER III	1,012,700		1,045,400	2,058,100	1,088,800			1,088,800
CHAPTER IV – FISHERIES, AQUACULTURE AND MARINE ECOSYSTEMS								
Director's Office	291,700	118,400	50,000	460,100	318,000	150,000	25,000	493,000
Coastal Fisheries	1,412,000	1,117,800	627,600	3,157,400	1,457,000	685,000	198,600	2,540,600
Oceanic Fisheries	1,197,800	1,201,800	4,304,400	6,704,000	1,212,800	685,000	1,675,900	3,773,700
TOTAL CHAPTER IV	2,901,500	2,438,000	4,982,000	10,321,500	2,987,800	1,920,000	1,899,500	6,807,300
CHAPTER V – GEOSCIENCE DIVISION								
Director's Office	1,008,400		4,789,700	5,798,100	1,038,400		2,608,700	3,647,100
Disaster Reduction	372,500		4,625,300	4,997,800	372,700		3,364,000	3,736,700
Geoscience for Development	516,300	711,800	2,240,800	3,468,900	529,400		100,100	629,500
Water and Sanitation	368,800		3,757,500	4,126,300	381,300		1,865,700	2,247,000
TOTAL CHAPTER V	2,266,000	711,800	15,412,800	18,390,600	2,321,800		7,938,500	10,260,300
CHAPTER VI – LAND RESOURCES								
Director's Office	361,500	340,300	3,189,100	3,890,900	385,100		396,200	781,300
Trade and Agribusiness	689,000		1,902,900	2,591,900	712,300		668,000	1,380,300
Sustainable Resource Management	425,400		4,242,900	4,668,300	448,100		805,200	1,253,300
Food and Nutritional Security	401,400		710,100	1,111,500	411,000		98,000	509,000
TOTAL CHAPTER VI	1,877,300	340,300	10,045,000	12,262,600	1,956,500		1,967,400	3,923,900
CHAPTER VII – PUBLIC HEALTH								
Director's Office	324,500	428,000		752,500	366,300	428,000		794,300
Research, Evidence and Information	663,700	778,000		1,441,700	690,600	320,000		1,010,600
Grant Management								
Policy, Planning and Regulation	555,700	744,000		1,299,700	564,300	852,000		1,416,300
TOTAL CHAPTER VII	1,543,900	1,950,000		3,493,900	1,621,200	1,600,000		3,221,200
CHAPTER VIII – SOCIAL DEVELOPMENT DIVISION								
Gender, Culture & Youth	811,600		930,300	1,741,900	830,700		732,600	1,563,300
Pacific Regional Rights Resource Team			1,318,800	1,318,800				
TOTAL CHAPTER VIII	811,600		2,249,100	3,060,700	830,700		732,600	1,563,300
CHAPTER IX – STATISTICS FOR DEVELOPMENT								
Statistics for Development	1,123,400	210,000	3,071,800	4,405,200	1,179,000		2,596,800	3,775,800
TOTAL CHAPTER IX	1,123,400	210,000	3,071,800	4,405,200	1,179,000		2,596,800	3,775,800
CHAPTER X – OPERATIONS AND MANAGEMENT								
Decentralised Offices:								
North Pacific Regional Office	599,200			599,200	609,300			609,300
Solomon Islands Country Office	248,900		1,012,500	1,261,400	251,800		895,000	1,146,800
Subtotal	848,100		1,012,500	1,860,600	861,100		895,000	1,756,100
Support Services:								
Administration	1,426,600			1,426,600	1,492,900			1,492,900
Finance	1,363,800		49,300	1,403,100	1,297,000	51,600		1,348,600
Human Resources	1,032,600			1,032,600	1,083,600			1,083,600
Information Communication Technology	1,567,300		51,300	1,618,600	1,666,100	11,000		1,677,100
Library	357,800			357,800	360,000			360,000
Publications	1,023,200			1,023,200	1,026,200			1,026,200
Translation and Interpretation	1,500,000			1,500,000	1,538,700			1,538,700
Subtotal	8,261,300		100,600	8,361,900	8,464,400		62,600	8,527,000
Other:								
PIRMCCM			357,800	357,800				
Subtotal			357,800	357,800				
TOTAL CHAPTER X	9,109,400		1,470,900	10,580,300	9,325,500		957,600	10,283,100
CHAPTER XI – COMMON CHARGES	2,015,200			2,015,200	2,066,800			2,066,800
CHAPTER XII – SELF FUNDED UNITS								
Housing Unit			2,215,400	2,215,400			2,300,000	2,300,000
Canteen			172,000	172,000			176,000	176,000
TOTAL CHAPTER XII			2,387,400	2,387,400			2,476,000	2,476,000
TOTAL EXPENDITURE	26,986,700	7,713,200	58,690,800	93,390,700	27,760,600	3,520,000	28,337,400	59,618,000
INCOME LESS EXPENDITURE – SURPLUS/(DEFICIT)					(2,597,600)			(2,597,600)

EXPENDITURE BUDGET

EXPENDITURE BY CHAPTER	2018			
	Core	Restricted	Project	Total
TOTAL INCOME	23,889,200	1,920,000	13,871,500	39,680,700
EXPENDITURE BY CHAPTER				
CHAPTER I – DIRECTOR-GENERAL'S OFFICE AND DEPUTY DIRECTORS GENERAL				
Director-General's Office	1,045,600			1,045,600
Deputy Director-General (Noumea)	709,200			709,200
Deputy Director-General (Programmes)				
Deputy Director-General (Suva)	248,200			248,200
SEPPF	1,306,200			1,306,200
Communications and Public Information	484,700			484,700
Climate Change and Environmental Sustainability			182,900	182,900
TOTAL CHAPTER I	3,793,900		182,900	3,976,800
CHAPTER II – ECONOMIC DEVELOPMENT DIVISION				
Director's Office	189,800		1,485,000	1,674,800
Energy	199,800		836,000	1,035,800
Transport	199,000		316,900	515,900
TOTAL CHAPTER II	588,600		2,637,900	3,226,500
CHAPTER III – EDUCATIONAL, QUALITY AND ASSESSMENT PROGRAMME				
Educational, Quality and Assessment Programme	1,088,800			1,088,800
TOTAL CHAPTER III	1,088,800			1,088,800
CHAPTER IV – FISHERIES, AQUACULTURE AND MARINE ECOSYSTEMS				
Director's Office	318,000	150,000		468,000
Coastal Fisheries	1,457,000	885,000		2,342,000
Oceanic Fisheries	1,212,800	885,000	1,476,500	3,574,300
TOTAL CHAPTER IV	2,987,800	1,920,000	1,476,500	6,384,300
CHAPTER V – GEOSCIENCE DIVISION				
Director's Office	1,038,400		2,608,700	3,647,100
Disaster Reduction	372,700		2,782,100	3,154,800
Geoscience for Development	529,400		15,700	545,100
Water and Sanitation	381,300		1,034,300	1,415,600
TOTAL CHAPTER V	2,321,800		6,440,800	8,762,600
CHAPTER VI – LAND RESOURCES				
Director's Office	385,100			385,100
Trade and Agribusiness	712,300			712,300
Sustainable Resource Management	448,100		312,800	760,900
Food and Nutritional Security	411,000			411,000
TOTAL CHAPTER VI	1,956,500		312,800	2,269,300
CHAPTER VII – PUBLIC HEALTH				
Director's Office	377,500			377,500
Research, Evidence and Information	686,000			686,000
Grant Management				
Policy, Planning and Regulation	567,700			567,700
TOTAL CHAPTER VII	1,631,200			1,631,200
CHAPTER VIII – SOCIAL DEVELOPMENT DIVISION				
Gender, Culture & Youth	830,700		278,000	1,108,700
Pacific Regional Rights Resource Team				
TOTAL CHAPTER VIII	830,700		278,000	1,108,700
CHAPTER IX – STATISTICS FOR DEVELOPMENT				
Statistics for Development	1,179,000			1,179,000
TOTAL CHAPTER IX	1,179,000			1,179,000
CHAPTER X – OPERATIONS AND MANAGEMENT				
Decentralised Offices:				
North Pacific Regional Office	623,000			623,000
Solomon Islands Country Office	251,800			251,800
Subtotal	874,800			874,800
Support Services				
Administration	1,492,900			1,492,900
Finance	1,297,000		51,600	1,348,600
Human Resources	1,124,200			1,124,200
Information Communication Technology	1,663,500		11,000	1,674,500
Library	360,000			360,000
Publications	1,026,200			1,026,200
Translation and Interpretation	1,543,900			1,543,900
Subtotal	8,507,700		62,600	8,570,300
Other				
PIRMCCM				
Subtotal				
TOTAL CHAPTER X	9,382,500		62,600	9,445,100
CHAPTER XI – COMMON CHARGES	1,946,800			1,946,800
CHAPTER XII – SELF FUNDED UNITS				
Housing Unit			2,300,000	2,300,000
Canteen			180,000	180,000
TOTAL CHAPTER XII			2,480,000	2,480,000
TOTAL EXPENDITURE	27,707,600	1,920,000	13,871,500	43,499,100
INCOME LESS EXPENDITURE – SURPLUS/(DEFICIT)	(3,818,400)			(3,818,400)

STATEMENTS FROM THE THEMATIC DISCUSSION: RESILIENT PACIFIC PEOPLE – TURNING THE TIDE

Fiji

1. Fiji strongly supports the overall thrust of this Paper and its recommendations in light, especially of the **Global Agenda 2030** and need for the Pacific Community to adopt transformative paradigm shifts in our collective development pursuits.
2. Amongst these paradigm shifts is the SPC's focus beyond outputs to results and the matching disciplines on Monitoring, Learning and Evaluation as the SPC finds its best fit within the **Framework for Pacific Regionalism**.
3. Amongst these paradigm shifts also are two **Integrated Programme Approaches** that reflect our vision of a Resilient Pacific in the specific areas of:
 - i. Disaster Risk Management with Climate Change; and
 - ii. Non-Communicable Diseases with Food Security
4. These areas are specifically tailor made for the felt and expressed needs of the Pacific Community, and are being woven into individual Country Programming from 2016.
5. Fiji agrees with the notion that Integrated Programming is one of the most logical approaches to securing sustainable financing from Genuine and Durable Partners towards Pacific Resilience.
6. As the Pacific Community, we are custodians of the Planet's largest Oceanic Space. Our greatest strength is in successfully navigating our journey by converting our challenges into opportunities as we cultivate and nurture the notion of **"Resilience" in the next generations of Pacific People**.
7. Thank you Mr Chairman.

France (*translation*)

Address by the Head of the French Delegation, 4 November 2015

Conference Chair, Honourable Ministers, Heads of Delegation, Director-General of the Pacific Community, I would like to begin by thanking our host, the Hon. Toke Talagi, Premier of Niue, , who has welcomed us to the very unique Pacific island, whose isolated location in the South Pacific makes it a reflection of the Pacific island countries, which are directly confronted by numerous challenges and making every effort to strengthen their resilience. In that regard, the theme of this Ninth Conference englobes all the specific development challenges that face small Pacific island states. France fully supports Pacific peoples' determination to become ever more resilient.

France welcomes the Strategic Plan, which has been approved by all the members of the Pacific Community and which we helped draft as a member of the sub-committee set up by the Secretariat. France is also willing to serve on the subcommittee for its implementation, as are the French-speaking Pacific territories.

The President of France had the opportunity to meet with you on 17 November 2014 at the Pacific Community's Headquarters in Noumea during a high-level dialogue which particularly highlighted the challenges the Pacific islands face due to the effects of climate change and the need to make a committed, global, and long-term response to them.

On several occasions, Pacific island leaders have called the international community's attention to those challenges and to their own position by means of declarations issued at several different summits, particularly at Pacific Islands Forum meetings: in Majuro in 2013, in Palau in 2014 and in Port Moresby in 2015. The Lifou and Taputapuatea Declarations this year convey the same message from the French Pacific territories. In addition, the Pacific Community's Director General served as spokesman for the Pacific during his speech at the United Nation's General Assembly last September – a speech that France warmly acknowledges.

As the Director General has recalled, from 30 November to 11 December, France will host and chair Paris Climate 2015. This will be a crucial occasion as the conference is supposed to lead to a legally binding international agreement on the climate that is applicable to all countries and covers two major objectives, i.e. containing global warming below 2 °C, as above that threshold its impacts will be difficult to control, and helping societies adapt to existing climate changes along with encouraging low-carbon development pathways.

Progress has already been made in those areas: the effects of climate change are now recognised; the national contribution (INDC) presentations by the vast majority of the 196 Parties to the United Nations Conference on Climate Change clearly demonstrate their earnest commitment to take action.

Given our presence in the region and the three French territories, France is very much a part of the Pacific. We are confronted by its challenges and we are fully aware of the region's social, economic and environmental issues. Further to the discussions that took place in Noumea last November, a France-Oceania Summit will be held in Paris on 26 November 2015, involving Pacific island leaders and the President of France, during which climate and development matters will be discussed just a few days before COP 21.

In closing, France encourages the Pacific Community, the main regional scientific and technical

organisation, - which we have been part of since its inception - to coordinate its members' actions. France will continue to work both on the ground and in the international arena to contribute to developing and implementing, in collaboration with all the Pacific islands countries and territories, the post-2015 agenda on sustainable development for all.

For all those reasons, the French delegation gives our wholehearted approval to the concept paper and recommendations on resilience.

Guam

This paper but more importantly, its subsequent action/outcomes, are of particular interest for Guam because we share the same sustainable development goals and vision.

Guam has been focused on the effects of climate change in the region and it remains a top priority for the Governor of Guam. He frequently tells a story that he is amazed sometimes to see that occasionally Guam gets covered in a haze that he calls "CH-og" or "Chinese Fog." And as we all know the effects we see from changes in climate are not due to the contributions of the Pacific islands, but those of the developing countries that surround them.

Because of this Governor Calvo has signed an executive order earlier this year to study the effects of climate change and proceed with a vulnerability assessment and climate action plan. To do this we have hired an Administrator for Climate Change and Natural Resources to assess Guam's risk with regional climate change, invasive species and the sustainability of our natural resources. And I am pleased to hear the United States State Department make this a priority in the region.

Guam is also one of the few at this table who remain under the UN Categorization of Non-self Governing states. And we are proceeding with our own plan on self-determination. With this discussion we would welcome any information or knowledge the Pacific Community can offer as a result of these recommendations - especially in for those of you who have previously undergone this process.

New Caledonia

Thanked Niue for having suggested this thematic discussion.

Innovation: involves a more cross-cutting approach to research, education and industry.

Two examples in that regard:

- The Innovation Strategy (funded by the EU [EDF], which I would like to acknowledge). A seminar is being held in Noumea at this very moment to present strategic directions and discuss innovation in agro-ecology, ITC, biotechnology, renewable energy and also social innovation ;
- The creation of a Pacific Islands Universities Research Network (PIURN).

NC agrees with NZ, which raised a question as to the relevance of creating a new Pacific Regional Centre of Excellence on Building Resilience.

Some shared principles

- The need for interlocked and cross-cutting approaches:
Begin small and then broaden the approach, for example with MPAs, for organising sectors related to agriculture
- Trusting your partners and sharing:
This happens fairly spontaneously in certain areas (biosecurity and disease surveillance) but it is, in fact, also important for deep-sea mining and tourism
- Use Pacific island societies' cultural values and operating modes as the basis for identifying processes, e.g. in education and vocational training so as to set regulatory frameworks; ways of integrating the concept of gender into public policies

ICT

Responsibility transferred to USP, which this year conducted an assessment of the previous strategic plan and held a ministerial meeting in Tonga: the territories absolutely must be involved and it's a tool like statistics, (it is) vital. This was done by a USP.

Reducing imports

Importance of POETCom programme on energy control and energy efficiency, e.g. via the new reformed development model (circular economy)

Believe in young people's creativity, their sometimes surprising solutions and entrepreneurship

COP21

CC is an additional challenge that heightens problems which can undermine SD.

COP21's challenges are immense. It is vital that the Pacific fully play its role in the global efforts that will help ensure the Paris Summit's success.

Before the Conference and at the request of New Caledonia and French Polynesia, France has agreed to hold the 4th France-Oceania Summit. That Summit will provide a unique opportunity to showcase our environmental and climate targets and ensure that our region will be one of the first to directly benefit from COP21's success. NC sincerely hopes to see you there.

Before that, I would be very honoured if you could take part in the Pacific islands dialogue that the Government of New Caledonia and the IRD (French Institute of Research for Development) are holding at 9 a.m. on 25 November 2015 at the "Maison de la Nouvelle-Calédonie" in Paris. The theme of this dialogue will be: "Putting governance knowledge to work in overcoming climate-change challenges in the Pacific".

NC hopes that you will be able to take part in both of these mobilization events.

United States of America

U.S. Ambassador Judith Cefkin's remarks

The United States is committed to working with our fellow members of the Pacific Community to increase the resiliency of the people in the Pacific islands through adapting to and mitigating global climate change, and promoting sustainable and inclusive economic development. The United States is working to demonstrate this commitment by building a Pacific community that is more resilient to the effects of climate change. Today I am pleased to announce that we will do so through a new climate change adaptation program with the Pacific Community (SPC) called the Institutional Strengthening in Pacific Island Countries to Adapt to Climate Change (ISACC) initiative. USAID will partner with SPC as the lead agency on the initiative, as well as the PIF Secretariat and the Secretariat of the Pacific Environment Programme (SPREP), capitalizing on the strengths and expertise each organization brings to the table.

The goal of the regional ISACC project is to strengthen the national institutional capacity of Pacific island countries to effectively plan, coordinate and respond to the adverse impacts of climate change. This five-year program will involve up to twelve Pacific Island governments. The project will strengthen their national adaptation planning processes, including their ability to access and manage climate finance and to build multisector approaches to climate change and disaster risk reduction.

The project seeks to respond to some of the key challenges that limit the ability of PICs to effectively implement national climate change priorities. The program also seeks to build regional cooperation and capacity through its support for regional organizations and initiatives including the Strategy for Resilient Development in the Pacific (SRDP).

The ISACC initiative will build on existing national adaptation processes that are multi-sector and whole-of-island approaches that have been successful in Kiribati and the Solomon Islands and will continue to be sustained by a range of partners through pooling of resources and expertise.

Participating countries will benefit from capacity building and training programs, as well as peer-to-peer exchanges. The project will carry out selected national climate change finance assessments. Finally, a climate change finance

tracking tool will be piloted in at least one PIC with a robust public financial management system to ensure sustainability so that other PICs are able to learn from its experiences.

Other USAID climate programs like ADAPT Asia-Pacific have already helped Pacific Island governments to access and manage adaptation funds, including from the Green Climate Fund. This program has already helped Pacific governments, the PIF Secretariat, and the Secretariat for the Pacific Regional Environment Program to access nearly \$70 million for new adaptation projects.

In addition to working with SPC on climate change adaptation, the United States also supports the SPC's efforts as outlined in this paper to promote the transition to renewable sources of energy in the Pacific. Diversifying their portfolios to include clean and sustainable renewable energy will enhance the security of Pacific Island nations and reduce their vulnerability to volatile energy commodity prices. The United States applauds the efforts of members like Tokelau and Cook Islands to shift toward an energy portfolio that is completely renewable.

The United States believes in the importance of sharing best practices and new innovations to find sustainable energy solutions. That is why we were pleased to work with SPC and the International Renewable Energy Agency (IRENA) to host 86 participants in Hawaii last July for a workshop on strategies for increasing renewable energy use among Pacific Island countries.

At that workshop, we heard many speakers from the State of Hawaii discuss the challenges and opportunities Hawaii is facing in its transition to renewable energy. As an archipelagic jurisdiction, Hawaii is burdened by many of the same constraints as those of you in this room, including the very high-cost of imported fossil fuels, limited land availability for renewable energy projects, associated land ownership issues, and utilities resistant to change. Presentations by former and current State of Hawaii representatives, including Hawaiian Governor Ige, highlighted the need to engage with all relevant stakeholders—including government, utilities, regulators, business, land owners, and consumers—in driving a holistic transformation to renewable energy.

The United States shared the Department of Energy's Island Energy Playbook, which presents integrated approaches and highlighted the cost effectiveness of hybrid renewable systems as a technique to reduce trade imbalances and lower the cost of energy on islands. USDOE representatives emphasized that the resources and tools they have developed, including the Playbook and employee training resources, are free, available online, and could be implemented in Pacific Island communities.

We look forward to continuing to work with the Secretariat and with IRENA to advance renewable energy in the region.

In closing, we very much support the Secretariat's efforts to promote the documentation and sharing of best practices, as well as its focus on practical solutions and inclusion of all relevant stakeholders, including women and vulnerable populations, when forming programs to address development challenges in the region.

STATEMENTS FROM THE HIGH-LEVEL DIALOGUE ON YOUTH

Nurturing a resilient generation and future Pacific leaders

NIUE

Fakaalofa lahi atu kia mutolu oti e tau lilifu kua hoko mai kehe fonoaga nei mua atu kia lautolu kua fenoga mai he tau hala mamao. Fakaue fakamua kehe lki ha ko e haana a takitakiaga mafola ati kua hohoko mai ke he liufale nei ke lata moe fonoaga he magafaoa laulahi he Pasifika kua tutaki atu kehe SPC.

Fakaalofa Lahi Atu & Greetings to all distinguished guests who are here today, thank you for this opportunity given to the youth. It is a privilege to present this response on behalf of Pacific youth. This is a significant moment not only as a young Pacific islander but especially as a young person born and raised here in Niue. First and foremost PYC is a regional non government organization that seeks to empower young people of the Pacific to become proactive citizens and leaders. We work with national youth councils and also give a regional perspective to global processes. We are Pacific diverse young passionate youth advocates, climate change activists and representatives of diverse civil society organisations, networks, and alliances working for effective advancement for Youth Political Participation, Gender and Human Rights, Climate Change and Sustainable Development in the Pacific region ahead of COP21 and beyond.

We are grateful for the UN Envoy on Youth's comments – we agree and we would like to reiterate a few of these issues from the perspective of Pacific youth.

Despite the significant size of our region's youth population and youth issues, there remains a lack of targeted investment required to meet the needs of all young people in the Pacific. When society discusses issues about youth they often focus on the negative aspects based on assumptions or misconceptions. However in order for the meaningful engagement of young people working towards national or regional goals we require a turn in the tide so to speak or a shift of mentality where our leaders need to acknowledge that young people are actually quite resourceful and are the solution to many of the pressing issues facing our society today.

At a national level for youth in Niue our vision according to our youth policy is for a thriving young generation of leaders committed to unity and prosperity. Youth advocates from all over the region have worked extensively during consultations to contribute to the development of the Pacific Youth Development Framework where our regional vision is for "A sustainable Pacific where all young people are safe, respected, empowered and resilient." This all ties into the theme of this whole conference Resilient Pacific People - Turning the Tide and trying to nurture a resilient generation of future leaders.

Young people can help make their communities be more productive and resilient when they have the opportunities to become better educated, are healthier and have the ability to express their views and opinions as well as engage in useful work.

Some of the regional youth issues that have featured highly in many of our forums:

CLIMATE CHANGE

As recognized at the UNGA, 2015, climate change is one of the most serious threats to the lives, lands, and cultures of Pacific people. As the UN Secretary General said that we – youth – are the last generation that can reverse the impacts of climate change. Young people **must** be involved in climate action in this region.

When we talk about climate change it is not only about what science tells us, or about negotiations for how much money should be directed to mitigation and adaptation or what degree of fossil fuel emissions are acceptable. How can you negotiate the value of human lives? This is the reality we are facing. Climate change is a fight for survival and our right to exist as island nations and global citizens.

A fundamental shift in policy is necessary to incorporate a youth perspective in climate change programmes and initiatives, as well as in regional and international negotiations.

Youth across the Pacific are taking the lead in climate actions and solutions with youth-led movements like the Pacific Climate Warriors from the 350.org networks. 350 Pacific is pushing youth from the Pacific to call on world leaders at COP21 and beyond to act on climate. As youth throughout the region we are mobilizing because we want them to sit down to talk, with a clear demand from us to keep at least 80 % of the world's fossil fuels underground and finance a just transition to 100% renewable energy by 2050. Pacific Climate Warriors have taken bold steps staging peaceful protests such as the Pacific traditional canoe blockade in Australia last year to decrease extraction and release of fossil fuels. In September this year youth – including Talo Sioneholo from Niue – went all the way to the Vatican to pray for our islands and share our stories. They presented the Pacific case to the Pope himself. We have high hopes and a lot of ambition. Young Pacific Islanders from the indigenous people's networks and movement will make their presence felt at COP21 in Paris in a few weeks time.

We need world leaders heading to COP21 in Paris to take heed and make serious commitments and a legally binding agreement that show they care.

Agriculture & Food Security: Climate Change and the global food crisis is a real concern where we are now looking at ways to build resilience within our agricultural systems for food security. In Niue we have an ageing farmer population and the sustainability of our food chain and resources will need great input from our youth. That is why the Niue Island Organic Farmers Association in partnership with PoetCOM through SPC have developed a project targeted at youth – “Capacity Building for Resilient Agriculture through organic farming.”

Youth Employment

The average youth unemployment rates in the Pacific are 23% compared to a global average of 12.6%. PYC lobbied and succeeded to get “Youth Employment” onto the leaders' agenda at the Pacific Island Forum leaders meeting in 2011. The Pacific Youth Council and their national affiliates worked in genuine partnership with ILO, SPC, UNICEF, USP and PIFS to conduct research, compile statistics to help strengthen our argument, and build capacity of NYCs to lobby in country. The next step is to get commitments from our governments that are reflected in national budgets. Our governments need to invest in school-to-work and home-to-work transitional programmes, educational and training opportunities that are relevant to the workplace, increase employment creation, align small business enterprise development to young people's priorities and their contexts, and increase availability of data on youth labour market participation.

Young people are sometimes put into groupings and labeled by society with rather negative connotations like NEET – Not in education, employment or training. These types of labels do not incite pride or hope but if you can see it from our perspective these young people are actually “Potential game changers of the economy.” They do have capacity and potential. So our challenge is to change the mind sets of leaders and society as a whole to invest time, effort and nurture our young people to realise their full potential and become positive contributors to society.

Sexual and Reproductive Health and Rights (SRHR)

The Pacific Young Women Leaders Alliance affirm that sexual and reproductive health and rights must be realized in the Pacific. We stress that bodily integrity and autonomy is at the core of all work on SRHR and must be prioritised in the Pacific national implementation plans for The 2030 Agenda for Sustainable Development. These plans must address the unfinished human rights agenda, including for women and girls living with disabilities, as outlined in international commitments, by ensuring access to and quality sexual and reproductive health services, and strengthen governmental monitoring and evaluation systems so that they are based on human rights principles. Communities in all their diversity must be enabled to meaningfully participate in these development planning processes, including through accessible, adequately resourced information and capacity-building programmes.

Youth engagement

These are but a few issues that young people are facing in the region and it is important that youth are engaged and take ownership to finding the solutions. Leadership programs and youth forums such as youth parliament are ways to nurture young people's active citizenship. Young people perceive things from different but very relevant perspectives and need to be engaged in all areas. What do our governments have in place for promoting youth engagement? and most importantly, what are the strategies that we young people can offer to our governments to promote and ensure meaningful civic engagement? The answers do not lie with our governments or young people alone, but rather lies within the genuine and meaningful opportunities of working and collaborating with each other.

Meaningful youth engagement should be an inclusive process where those most disadvantaged are able to have a voice like key affected populations such as those living with disabilities, and LGBTIQ young people.

If there are discussions, plans, policies or strategies developed to help young people they would be quite pointless if young people are not involved or engaged in the processes to develop these in a way that best captivates what their needs are. So we say "Nothing about us, without us" and we need these processes to be transparent and inclusive.

In the Pacific we are also guided by a culture of respect. So we respect our elders, culture, traditions and ways but we also need to step up and use our voice not only as the leaders of tomorrow but as your partners today.

Conclusion

We call on leaders to urgently address the youth crisis, we call for an integrated development approach that analyses the political, physical, ecological, economic, and social dimensions of these overlapping challenges through one holistic frame. The bringing together of different sectors, alliances, and government ministries will be necessary to ensure a truly transformative agenda for Youth in the Pacific.

There is a Niuean proverb that says "Nofo ma mea ke kai taha mena muluhau", that we as young people should wait for our time to reap the benefits. But with all due respect I believe NOW is our time to work together, to take action to make the necessary changes if there is going to be any hope to shape the future that we want and the future that we deserve.

HON. TOLOFUAIVALELEI FALEMOE LEIATAUA'S PRESENTATION

**"SUPPORTING YOUTH ENTERPRISE THROUGH PUBLIC
AND PRIVATE SECTOR PARTNERSHIP"**

Mr Chair, Honourable Ministers and Heads of Delegations, UN Secretary-General's Envoy on Youth

Excellencies & Distinguished Guests, Ladies and Gentlemen

Talofa lava and warm greetings from Samoa. I am delighted to be part of this High Level Dialogue and to be able to share with you our experience and lessons learnt in supporting youth enterprise through public and private sector partnership.

First, I thank the Chairperson and Director General of SPC for the invitation to present in this Forum; I also acknowledge the address by the UN Envoy for Youth; and I want to congratulate Ms Inangaro Vakaafi for representing our young people and bringing a youth perspective in this Dialogue. It's always good to be reminded of reality when we engage youth in our policy dialogues.

Ladies and gentlemen, supporting youth enterprise has always been a priority for our Government, given the limited employment opportunities that young people have access to; and today, it remains a priority under Samoa's National Youth Policy. You would have seen already the briefing paper for this dialogue which speaks to the situation of youth in the region. The same situation in terms of youth unemployment is also true for Samoa. Our National Youth Policy defines "youth" as those aged between 18 and 35. According to the 2011 Census, 26% of our total population is within this age group. With just over a quarter of the population being youth, and with increasing youth unemployment, we recognized the need to address this issue from multiple angles and that a multisectoral approach that engages various sectors within both the public and private spheres was needed to address the gaps.

In 2001, the Samoa National Youth Awards Programme was initiated under the former Ministry of Youth, Sports and Cultural Affairs which was resolved in 2003 through a realignment of Ministerial portfolios. From 2003, the programme has continued under the leadership and coordination of the current Ministry of Women, Community and Social Development, where the Division for Youth is housed. Since 2001, the National Youth Awards Programme has created a platform to showcase and acknowledge young people's talents, their innovation and creativity through the various youth led developments which the programme has been able to reward over time. It has also become a great source of inspiration for our youth through capacity building; regional and international exposure, and as they become empowered through their enterprises and initiatives, they are enabled to help their families and was in a position to make a positive contribution to building resilient communities.

From our experience, we learnt that to ensure the effectiveness and sustainability of the Programme, it needed to continue to evolve; and we also needed to be creative in our approach; taking into account the changing environment, the increasing exposure of young people to technology and therefore social media, and the need to engage partners

that would allow us to keep up with these changes. Consequently, in 2013, the Ministry pursued a partnership with the private sector and signed an MOU with Digicel Samoa Limited, who offered to support variations in the Programme and made a financial contribution towards program costs for 2 consecutive years. The partnership with the Digicel focused on two areas; namely the Profiling of young entrepreneurs and their stories; and provision of Mentoring support through business training and networking with committed business owners. An interesting addition to the Programme which was made possible through this partnership with Digicel, was the voting of awardees via text messaging, which meant that a lot more youth were able to be part of the process as they engage in the selection of national youth awardees for Samoa. In the two years of the partnership, a number of corporate partners joined forces to support the programme, namely financial institutions and private owned businesses such as ANZ bank, which provided training on financial inclusion and financial management, targeting beneficiaries of the National Youth Awards programme. These opportunities would have not have been possible, without reaching outside of our traditional youth sector in Government and as a direct result of these partnerships, young entrepreneurs who have come through the programme, now have their own network to exchange ideas, learn from each other and at times, share resources. Further to that, it has given the Programme a wider reach in terms of coverage and a lot more young people have benefitted from this initiative.

Our engagement with the private sector has shifted the level of the program in terms of recognition, increasing interest from corporate partners and effective promotion of youth entrepreneurship. Moreover, our Government through the Ministry envisages the same modality of partnership to drive the implementation of the One-UN Youth Employment Program that was launched in June this year. This programme (1UN-YEP) is the UN response to the request from our Government to assist in its ongoing efforts to address youth unemployment; and will build on successes and lessons learnt from youth enterprise development, through the National Youth Awards programme.

Ladies and gentlemen, it has taken our Government almost fifteen years to get to where we are now in terms of supporting youth enterprise. As I have tried to show, youth development such as through supporting youth enterprise requires a multisectoral approach that engages multiple partners at various levels and is consistent with the changing economic, social and environmental contexts. Resourcing is always a challenge in this Sector and while there is a big push to mainstream youth across development programs, very often there are no resources to support this across Government. In this regard, I challenge all our partners present here today to get behind youth development in our region. The rising economic, social and environmental costs of development issues that our region now faces such as climate change and non-communicable diseases require a proactive and multisectoral approach with a specific focus on our youth within the broader development outcomes for our region. As Minister for Youth from Samoa, we lend our support to this Forum for some concrete outcomes from this High Level Dialogue that would ensure adequate support is made available for youth development both at regional level and also at country level.

In closing I want to convey our appreciation to the Secretariat for the opportunity to share our work with our colleagues in the region. We look forward to some concrete outcomes from this Dialogue and I thank you for your attention ladies and gentlemen.

Solomon Islands

Guest Speaker: Mr. Joseph Ma'ahanua, Permanent Secretary (Ag) of Foreign Affairs and External Trade of Solomon Islands.

Mr. Chair, Honourable Ministers, Director-General and staff of SPC, distinguished guests, delegates, ladies and gentlemen.

(First page slide)

Firstly, allow me to convey to the Director General and to all our distinguished guests and delegates of my Minister's sincere apologies for not making it to this very important session.

However, I am humbly honoured to be given this timely opportunity on behalf of the Minister of Foreign Affairs and External Trade Honourable Milner Tozaka, to give a few remarks on "collaborating for youth through Youth@Work" in the Solomon Islands.

(Second page slide)

Ladies and gentlemen, as we all know, Youths are a very important component of any society. Youths are more energetic, creative, innovative, young and they can be easily mobilized.

Solomon Islands has a population of about 590,000 (2015 estimates), of whom, 37.8 % of them are persons below the age of 15, and 28.5 % are those that between the age of 15 and 29. Adding these together gives a total of 66.3% as the total population that are below 30 years. This represents a huge population of young people in the country.

Having a huge population of young people shows a positive trend in any society. However it become more worrisome and threatening when this larger population is not properly empowered, mentored, and systemize into societies' expectations.

In my country, the number of youths has increased overtime, however formal sector jobs are scarce, budgetary allocation for youths are limited and the education system cannot absorb all the school drop outs from primary and early secondary levels.

These challenges have resulted in some Youths becoming very free to explore life in the negative way, engaging in crimes, homemade alcohol, and other anti-social behaviour.

The Joint Initiatives between my Government and SPC together with other partners has enabled the establishment of the **Youth At Work** program that seeks to integrate youths into better realizing their potentials as the foundation of our society.

Before elaborating on the Youth At Work program, I wish to further provide an overview on how this program is dovetailed into the overarching policy context of the government and the leading Youth At Work office which is SPC, linking global and regional policy dialogue to national level implementation.

(Third page slide).

The Post 2015 Development Agenda set new goals before us, however the approach to reach these goals calls for a more integrative approach, where implementers of this approach must be knowledgeable in cross cutting issues. Therefore our Youths need to be trained across many sectors and empower them to be able to work as policy implementers.

The other regional and Government policies established to drive Youth empowerment can be gauged from the new SPC's led Regional Pacific Youth Development Framework 2014-2023, The Solomon Islands Government Youth Policy and the National Peace Policy, the Joint SPC and Solomon Islands Government Country Programming and the new SPC Strategic Plan 2016- 2020 which accommodate the need to perfectly cross-sectorally train and/equipped our Youths to face development Challenges.

(Fourth Page Slide)

In line with that, my Government has recently proposed a new Joint Strategy for programming with SPC, and we have identified three priorities which are all cross sectoral. They are Climate Change, Non-Communicable Diseases (Health) and Rural and Economic Empowerment.

In this, we will work together with SPC to ensure our Youths are part of the implementation of the national development priorities, rather than programming them separately.

Ladies and gentlemen, I will now come back to how we use Cross Sectoral Collaboration to Empower Youths in the country.

(Fifth Page slide)

This is how we implement Youth at Work.

Firstly, we do the selection by targeting the vulnerable Youths. Those that do not have the chances of furthering their studies at the tertiary levels, those that involve previously in anti-social behaviours and those persons with special needs including the disabled.

These youths that have been selected then undergo a period of community service whilst at the same time receive training provided by SPC technical staffs, line Ministry staffs and development partners on issues of interest that will assist them to develop a carrier that better suits their area of speciality. Areas of training cover climate change and food security, agriculture, ICT, Youths talents (how to expose youth talents such as through singing, dancing, art and crafts etc), NCDs, business and entrepreneurship, basic writing skills (such as CV writing)and next year we are going into fisheries with the so-called programs Fish At Work. I wish to highlight the community service stage and its importance in the selection process as it ensures youth commitment to the program.

We then seek internship opportunities place them in the government and private sector. This is to assist them to put their knowledge into practice at the same time help enhance their skills and expertise on new things learnt in their respective places of work. Some of these interns directly get into Permanent jobs in their respective offices straight after their internship. Others secure permanent jobs in another place.

In the Provinces, they work on Agriculture, Climate Change and Food Security and some of them have engaged in setting up their small businesses.

(6th and Final Slide).

Finally (you will see in the final slide) , these are all the sectors that the Youth At Work has covered in the Country.

1) Youth At Work Honiara. This is the HQ of the program and is located in the Capital Honiara. This is where all coordination is done.

2) YEP (Young Entrepreneurship Program). These Youths are trained on entrepreneurship programs.

3) Youth Market. This is a program organized by the Youth AT Work on a monthly basis. To enable youths to have access to a Market where they can sell their products, show their talents and raise money to start their own businesses.

4) Youth At Work CHOICE....This is a program done by the Youth AT Work to assist, support and train, and rehabilitate former youth prisoners.

5) SEIF PLES. Solomon Islands has one of the first ever SEIF PLES gender based violence Clinic in the region, where victims of Domestic Violence can be attended to 24 hours 7 days. This clinic is manned by professional staffs from the Royal Solomon islands Police Force and Form the Ministry of Health and Medical Services, supported by Youth AT Work interns 24 hours each day.

6) There is a big programme under Ministry of Finance called Youth@Work ICT, that is training 60 youth per year to run ICT support unit help desks in all SIG ministries.

7) There is FRUIT@WORK selling fresh fruit in Honiara to office workers and students to help people rediscover local foods and to switch from unhealthy snacks to healthy snacks. This is a new business for youth entrepreneurs.

8) There is Youth@Work PLUS giving job opportunities to our nation's disabled youth, mainstreamed with all other youth into our programme and discovering opportunity and value in their lives.

9) There is FISH@WORK and Agriculture@WORK youth teams funded under German Post cyclone PAM recovery funds for Malaita and Temotu helping Solomons rebuild and recover post cyclone PAM, this work is starting in 2016.

10) There is the Choiseul Y@W programme implementing the CHICCHAP programme on behalf of provincial govt and partners to implement Climate Change adaptation.

In closing I want to say that so far, we have over 5000 youths that have undergone training in the Youth at Work program...over 2000 of them have secured permanent jobs both in public and private sector, some on an ad hoc basis and some are still in their internships and trainings.

I am optimistic that this model can be used in our other countries in the Pacific. Solomon Islands is very willing to share this best practice with you.

Thank you.



THE SECRETARY-GENERAL'S ENVOY ON YOUTH

MR. AHMAD ALHENDAWI

Keynote Address

Ninth Conference of the Pacific Community

Alofi, Niue, November 5, 2015 9:10-9:30

Your Excellency Premier of Niue Toke Talagi,

Your Excellency Dr. Colin Tukuitonga,

Honourable Ministers and heads of delegations

Ladies and Gentlemen,

Youth leaders,

Good morning,

Allow me at the outset to express my deep appreciation for the invitation to join this important dialogue, and to thank the government and the people of Niue for the warm hospitality extended to us.

I am also honoured to convey the regards of the Secretary-General of the United Nations Mr. Ban Ki-moon to all of you. And in fact UNDP's Administrator Ms. Helen Clark has also asked me to send her best wishes to all of you.

The UN is a proud partner to the Pacific Community and I am honoured to address your meeting after the Pacific Community has been granted a permanent observer status at the United Nations.

When Dr. Colin Tukuitonga visited me in NY last September during the UN General Assembly and invited me to attend the meeting, he said it is the most beautiful place on earth. "Well, we all say this about our homes"- I thought, but after seeing the beauty of Niue I must say I am lost for words to describe it.

He also gave me the following pieces of advice: do not wear a tie and speak from the heart. So as you can see I am not wearing a tie and I will be speaking from the heart.

Thank you Dr. Colin for this valuable advice and for having me in your home country.

This is my second visit to the Pacific, since my appointment as the Secretary-General's Envoy on Youth. My mandate is to advise the Secretary-General in youth related issues, to harmonize the UN system efforts in youth and ensure stronger focus on the work of the UN agencies in youth development, as well as to build stronger global partnerships to advance youth rights and priorities.

I am honoured to speak before you today at the ninth conference of the Pacific Community. I particularly welcome the strong focus of this conference on youth and the recognition that meaningful youth engagement is a prerequisite for achieving sustainable development.

On the International Youth Day last August, Dr. Colin sent a very important message that I fully agree with. He said: **With a dynamic youth population come many opportunities.**

And with more than half of its population under the age of 25, the Pacific region has all the opportunities to build a better present and future.

We are talking about more than 5 million current and upcoming brilliant minds that have the potential to transform the region.

I have been following closely recent youth-related developments in the Pacific region. We read **the Pacific Youth Development Framework 2014-2023** with great interest. The framework responds to the calls from young people, development partners and governments for greater support for the implementation of youth policies at the national level.

As you very well know, public policies for youth are in need of new approach; an approach that can provide adequate response to young people's needs and demands. As the vision outlined in the Framework reads, the world needs: **"a sustainable Pacific where all young people are safe, respected, empowered and resilient"**

The implementation timelines of the Framework fits in well with three major global developments:

- The 2030 Agenda on Sustainable Development;
- Small Island Developing States Accelerated Modalities of Action Pathway; And the
- Expected Climate Change agreement next month

We need active and meaningful engagement of young people to achieve the goals and targets reflected in these historic agreements. That is why aligning the implementation of the Pacific Youth Development Framework with these major processes is very important.

As the world is switching gears to the implementation of the SDGs, the United Nations is committed to put young people at the center, because we realize that achieving the SDGs require the full participation of half of the world's population: Young people.

My office will also work with many partners to build a global "Youth Gateway" Portal which will facilitate youth engagement in implementing the SDGs . We will also work to consolidate a Global Youth Partnership for SDGs to ensure that we have strong and coordinated commitments to invest in the youth potential in achieving the SDGs.

In doing this, I am planning to work closely with the Secretariat of the Pacific Community and the Pacific Youth Council and its member organizations to mobilize and support young people from the region towards achieving the SDGs.

We need the active participation of the Pacific youth in this Global Partnership, particularly in the areas that has been identified as their top priorities: There are many areas of interest, but I think it's fair to say that among the most pressing ones are youth employment and environmental sustainability.

Excellences, Ladies and Gentlemen,

Allow me to share with you some thoughts and ideas on the challenges facing the Pacific youth today.

First and foremost I would like to focus on the issue of employment, or rather unemployment and underemployment of young people in the region.

An alarming 23% of young people in this region are unemployed. National youth unemployment rates in some countries of the region stand at 50 or 60%.

This is very alarming. And it also makes the finalization of the Pacific Youth Employment Strategies a top priority. The focus, among others, should be on creating youth-friendly employment services, supporting young entrepreneurs, and establishing quality demand driven education and capacity building opportunities. And all of this should be done with a particular emphasis on most vulnerable and disenfranchised young people.

Governments are encouraged to embody youth-oriented employment services by creating an environment that would allow youth, particularly young women, to compete on an equal setting for the jobs available.

Young people have the ideas and talent necessary to drive change and excel in a professional environment, but we must invest in them to do so.

I am a firm believer in youth entrepreneurship. Research shows that young people in most parts of the world will create more jobs than adults over the next years.

However, young entrepreneurs often face challenges when setting up and developing their businesses including lack of access to capital and start-up funding, as well as to business development services. And we need to ensure that we create an enabling environment that would allow young entrepreneurs to achieve their full potential.

I am absolutely certain that we have many young people with unique potential and ideas in the Pacific.

I met with several of them yesterday and they have what it takes to contribute to the development of their society. That is why I urge the representatives of the governments and the international community to do everything within their power to advance the prospects of youth entrepreneurship.

Ladies and Gentlemen,

The UN Secretary-General often says we are the first generation that can end extreme poverty, but we are the last generation that can reverse the worst impact of climate change. Imagine how much responsibility this puts on the shoulders of young people today.

No nation or region is immune to the impacts of climate change. This is particularly true for the Pacific. A region that is heavily affected by cyclones, droughts, floods on regular basis.

In 2004, a cyclone hit our host country and has left a devastating impact. Throughout the region, climate change is heightening the intensity of extreme weather events, driving sea levels up, and acidifying the oceans.

As many leaders of the region have voiced, over the coming decades homes of today's young people in the Pacific is under serious threat. That is why we need policies to further strengthen the role that young people can play in mitigation, adaptation and response and relief mechanisms.

I welcome the Pacific regional strategies focusing on integrating disaster risk reduction and climate change into development priorities.

Being the first of its kind in the world, the strategies recognize youth as agents of change. I call upon governments to expand the engagement of young people in the Pacific in achieving the region's objectives in responding to and mitigating the impacts of climate change. The forthcoming strategy on climate and disaster resilient development in the Pacific must have a strong focus on youth.

Young people in the region have an important role to play in mitigating the effects of climate change and have demonstrated this through their initiatives.

I am determined to raise the voices of young people of the Pacific in Paris, where I will be joining the Conference of Parties of the Climate Change Convention later this month. And my message will be clear: we have no right to fail the young and future generations. My meeting in Niue fuels me with a renewed resolve to advocate for a bolder commitment to be reached in Paris, because what's at stake is the future of our youth, and we can't allow short-sighted interests to gamble with our future.

Excellencies, Ladies and Gentlemen,

Yesterday I visited a prison without prisoners, and later in the day a school full of young people eager to contribute to the development of their country. It's for them we have to spare no efforts to ensure that they don't only become the leaders of tomorrow, but the active partners of today.

I am honoured to be with you today, and the UN is determined to work with the Pacific Community for the betterment of its youth.

I thank you very much.

STATEMENTS FROM OBSERVERS AT CONFERENCE AND CRGA**German Agency for International Cooperation (GIZ)**

Chair, Director General of SPC, Excellences, Delegates from Member Countries, colleagues from SPC and observers, friends,

Good Afternoon. It is a great privilege for the German Agency for International Cooperation – GIZ, to have been invited as an observer to this important meeting. Thank you to Government and people of Niue for the warm treatment on you beautiful rock!

Ladies and gentlemen, Germany has assisted Pacific Island countries since 1974 in various sectors of sustainable development, mainly through its development arm GTZ, now GIZ.

Since 1997 we have done so hand in hand with SPC.

Director General, I want to take this opportunity, also on behalf of my GIZ colleagues, to thank you and your staff for the many years of trustful and fruitful cooperation to the benefit of your member countries.

Ladies and gentlemen, climate change, as we all know and as has been mentioned during this CRGA various times, is a great challenge for Pacific Island countries and its people.

We are assisting Pacific Island countries both bilaterally as well as together with SPC through two climate change adaptation programmes; the German and USAid -funded *Coping with Climate Change in the Pacific Island Region - CCCPIR*, and the EU- funded *EU- GIZ Adapting to Climate Change and Sustainable Energy (ACSE)*. GIZ is also assisting Melanesian countries together with SPC on REDD +, and selected Pacific Island countries together with SPREP and IUCN on the management of marine biodiversity.

Our contribution to Pacific Island countries is presently funded up to the end of 2018.

Chair, I would like to stress that we strongly believe in and support coordinated, cooperative, complementary and programmatic approaches, where different national sector agencies, regional organizations and development partners work together towards a common goal. Examples are the Choiseul project in the Solomon Islands, and the Whole of Island Approach in Kiribati.

Ladies and gentlemen, you also talked at this meeting about the importance of a new climate change agreement for Pacific Island Countries.

Germany will stay at COP21 in Paris at your side to strive for a binding, unambiguous and ambitious climate change agreement.

Thank you

Dr. Wulf Killmann, Programme Director GIZ

PACIFIC ISLANDS FORUM SECRETARIAT

- Thank you Chair for this opportunity to make a few remarks on behalf of the Pacific Islands Forum Secretariat.
- I would also like to thank the Government and people of Niue and the Secretariat of the Pacific Community for hosting this meeting.

Framework for Pacific Regionalism

- 2015 has been an important year for regionalism in the Pacific, with the Framework for Pacific Regionalism in its first year of implementation.
- The Framework articulates Leaders' expectations that the regional agenda strive for a higher level of ambition, and that our coordinated and collective regional efforts deliver results that make a practical and positive difference to the lives of Pacific people.
- The Framework also represents Leaders' commitment to inclusivity and transparency in the development of regional public policy.
- A key innovation of the Framework is that anyone in the Pacific can contribute proposals for regional action. 68 submissions were received from governments, international and regional organisations, academic institutions, and, in particular, from NGOs and individual citizens.
- The priorities selected by Leaders at their recent meeting in PNG – on fisheries, climate change, information and communications technology, cervical cancer and West Papua – are big challenges, but they are also the kinds of challenges the Forum was set up to face.
- Member countries, regional and international organisations, the private sector and civil society will all need to work together to advance the region's agenda.
- In this regard, there is also scope to strengthen the linkages between CROP agencies and the Specialist Sub-Committee on Regionalism which oversees regional submissions.

Strengthening coherence through CROP

- Through our efforts as the Permanent Chair of the Council of Regional Organisations in the Pacific we will seek to ensure that CROP is effective as it collaborates, cooperates and works in the areas of each agencies comparative advantage to the benefit of the region. In this regard we welcome CRGA's consideration of the paper on "Strengthening coherence through CROP."

- The Forum Secretariat is dedicated to the political and economic ambitions of our region and works with our technical agencies, including SPC, to support member countries.
- This includes through mechanisms such as the Sustainable Development Working Group, Marine Sector Working Group, Health and Population Working Group and Working Arm on Climate Change and Disaster Resilient Development, and at various regional meetings of Officials and Ministers.
- We thank SPC for the constructive engagement in these important mechanisms and in the reviews currently underway to strengthen coordination and collaboration between CROP Agencies, and streamline regional decision making processes.
- We look forward to collaborating with SPC and CROP members next fortnight in Suva to jointly address the recommendations of the recent review of CROP Working Groups, led by Dr Jimmie Rodgers.
- We note with interest CRGA's consideration of the CROP Triennial Review 2015, in which PIFS also took part. We see this as a key aspect of greater CROP harmonization and cooperation, and welcome consistency across CROP institutions.
- The role of governing councils is integral to the success of CROP improving cooperation, coordination and collaboration amongst the region's intergovernmental bodies.
- Forum Leaders have asked PIFS to lead a study on regional governance and finance in 2016 to identify opportunities to strengthen CROP coherence. We look forward to working with countries, SPC and other CROP colleagues in this regard.

Enhancing development effectiveness

- A key aim of the Framework is to improve the effectiveness of our regional mechanisms, with a focus on delivering results for all Pacific countries and territories. In this respect, PIFS congratulates SPC for the excellent work it is already conducting in results-oriented programming.
- Through the Forum Compact on Strengthening Development Coordination, endorsed by our Leaders in 2009, we have since 2010, annually monitored our progress towards the MDGs, working with our key partners such as SPC, based largely from our region's own statistics.
- We also work with SPC and other partners in regional partnerships such as the Pacific Ocean Alliance and the National Sustainable Development Strategy Partnership to enhance the region's development effectiveness.
- The 11th EDF Pacific Regional Indicative Program (Pacific RIP), funded by the European Union, is an example of CROP's coordinated engagement in relation to a regional development partner, thus ensuring effectiveness of support for specific regional strategies and sector priorities.
- With an envelope of €166 million to the Pacific for the period 2014 – 2020, the 11th EDF Pacific RIP was developed based on broad consultations, and will focus on Regional Economic Integration (REI) and Sustainable Management of Natural Resources and the Environment and the Management of Waste. Inclusive and Accountable Governance has been identified as the cross-cutting priority.
- The regional envelope under the Pacific RIP is administered by the Regional Authorising Officer (RAO), an office held by the Secretary General of PIFS. Project implementation is undertaken on behalf of the Pacific ACP States by technical agencies in the region, who are also responsible for coordinating the five thematic

consortia within the Pacific RIP. SPC and PIFS will jointly lead the consortium on regional economic integration.

- We look forward to continued collaboration with SPC in this regard, given its considerable technical expertise that has been and will continue to be an important regional resource for the success of the 11th EDF Pacific RIP.

Oceans

- We look forward to continuing to work with SPC to support our members in addressing ocean-related issues, particularly fisheries, deep sea mining and maritime boundaries.
- Our Secretary General, as Pacific Ocean Commissioner, convened the inaugural meeting of the Pacific Ocean Alliance in Fiji in May 2015. Over 100 participants gathered in Fiji to discuss the region's priorities and interests as they relate to areas beyond national jurisdiction. We thank SPC for their support with this meeting.
- Through the convening power of PIFS, we are able make mechanisms such as the Alliance provide an open-ended multi-stakeholder partnership for dialogue on key regional ocean policy and implementation issues. Over the next year, we will look at how the Alliance can best support the Leaders' decision on fisheries, among other issues.

Climate Change

- This year is crucial for the Pacific as we approach COP 21 in Paris.
- Forum Leaders and the SIS Leaders recently issued two declarations on climate change for COP 21, which add momentum to other high level statements made by the region for the Paris Meeting.
- We also provided the opportunity for SPREP and SPC to directly discuss climate change issues during the recent Leaders meeting. The Forum Secretariat has also collaborated with SPREP and SPC to undertake preparatory training over the past few months, and will continue to support upcoming activities under the leadership of SPREP to ensure Pacific Island Countries bring a strong and unified voice to COP 21. We note the need to continue to respond to member requests for support as part of the meeting.
- PIFS has undertaken a range of activities on climate change financing through the implementation of decisions by Leaders and Finance and Economic Ministers since 2010, including the application of the Pacific Climate Change Finance Assessment Framework developed by the Forum Secretariat.
- We will continue to collaborate with SPC, SPREP and partners to assist countries to effectively access and gain support for the scaling up of international climate change financing. Studies on climate change finance in Tonga this year are likely to be followed by another study in the Solomon Islands. These will incorporate lessons learned through studies completed in Nauru and the Marshall Islands.
- We will also continue to actively support efforts to finalise the Strategy for Resilient Development in the Pacific (SRDP). The Forum Secretariat will work with the technical leads on climate change and disaster risk management (SPREP and SPC respectively) while we progress the necessary political and economic issues related to resilient development to Leaders and Finance and Economic Ministers for consideration.

Closing Remarks

- In closing, I would like to thank Director-General Dr. Colin Tukuitonga and the SPC staff for a productive 2014/15 period and for the continued collaboration and commitment to working with the Forum Secretariat and other members of the CROP family, as we seek to serve our countries as best we can.

Pacific Islands Forum Secretariat

28 October 2015

UNICEF

The Chair, Director General, Excellencies, distinguished delegates, ladies and gentlemen.

UNICEF would like to thank the Director General for inviting us as Observers to the 45th meeting of the CRGA, and present apologies for not being able to join in this important meeting. We place a high value on our partnership with SPC, and are honoured by our Observer status, and grateful for the opportunity to share this Observer Statement.

Reflecting the very high value UNICEF places on our partnership with SPC, in May 2013, we concluded a Memorandum of Understanding with SPC, which builds upon the results of prior years of partnerships and provides a renewed framework for the period 2013-2017 (the period of our Executive Board approved multi-country programme and the period of the UN Development Assistance Framework for the Pacific). Our cooperation covers a wide range of development issues confronting children in Pacific Island countries including climate change adaptation and mitigation, disaster risk management, education, health, nutrition, water and sanitation, but also - violence against children, human rights, data and statistics.

We are pleased to report continued developments this year in a number of areas highlighted in the MOU:

Maternal and Child Health: WHO, UNICEF, UNFPA and SPC developed a joint approach and guidelines to strengthening strategic health communication in the Pacific. This is referenced also for joint planning and joint support to implementation of strategic health communication initiatives. We are grateful to SPC, as a meeting organiser, that this year child health was a specific area of focus for the Pacific Health Ministers meeting. The Healthy Islands Strategy, to which Pacific Health Ministers re-committed this year, is very well supported by SPC's Healthy Islands, Healthy People Strategy, and UNICEF's global health strategies of "every woman, every child" and integrated approaches fit perfectly under the Pacific priorities, including our three priorities of universal childhood immunization, reducing maternal and neonatal deaths, and addressing malnutrition in children. We are pleased that under the Pacific priority area of preventing and treating non-communicable diseases, the "double burden of malnutrition" is recognized, meaning undernutrition in young children and overweight, high blood pressure and other problems after childhood.

HIV and AIDS: UNICEF actively contributed to the development of the Pacific Regional Sexual Health and Well-Being Agenda endorsed by the Governments of Pacific Island Countries in 2014, and continues to work with SPC and other regional agencies to implement key actions within the framework. We have also been working closely with colleagues from SPC for many years on HIV and AIDS, including through our Observer status and Technical Working Group membership for the Pacific Global Fund Executive Committee, for which SPC has been Secretariat.

Water and Sanitation: UNICEF and SPC are collaborating on water, sanitation and hygiene under the Pacific WASH Coalition, a registered SIDS Partnership, to improve coordination between development partners and exchange best practices and lessons learned. A programme cooperation agreement has been established for technical assistance to

the Government of Kiribati on water resources assessments in outer islands under the European Union Development Fund 10. In 2015, close collaboration continued at both regional and country levels, through the Pacific WASH Coalition and WASH Humanitarian Cluster as well as on specific programmes in-country. A good example of us working together for a greater good is the EU funded project on water and sanitation in outer islands and addressing water and climate issues through the Pacific partnership for atoll water security.

Child Protection. The fight against violence, including violence against children and gender based violence, require our collective efforts and collaboration. UNICEF and SPC through RRRT are working together to harmonize approaches to legislative reform on ending violence against women and children in the Pacific. A partnership has now been established following the SIDS conference: “Protecting children from Violence, Abuse and Exploitation in the Pacific” (Reference 2808¹). We were grateful for SPC panel presentations and other active participation at the 2015 Pacific Conference on Ending Violence against Children, presided over by the UN Secretary General’s Special Rapporteur.

Vital statistics and Civil registration: In support for the implementation of the Ten Year Pacific Statistics Strategy, UNICEF cooperation with the Statistics for Development Division (SDD) of the SPC, continued to be successful, including joint support for Demographic and Health Surveys in several Pacific island countries, such as Samoa, as well as technical support for the collection and analysis of data on children with disabilities in Vanuatu, with plans for similar support in Tonga in 2016.

Civil Registration and Vital Statistics committees have been formed and comprehensive assessments completed in a number of countries. Through this partnership, notable increases in birth registration have taken place with the introduction of improved technology and standards. In 2015, joint planning took place to continue support to existing countries, and further expand cooperation. A Brisbane Accord Group (BAG) partnership agreement has been drafted and will soon be finalized which UNICEF along with SPC and other partners will sign.

Education: UNICEF is an observer on the board of SPC Education Quality and Assessment Programme formerly known as the Secretariat of the Pacific Board for Educational Quality. UNICEF has been working in collaboration in the strengthening of the education information management systems (EMIS) in the Pacific in particular for ECCE data collection in 13 Pacific Island countries out of the 14 countries in the Pacific Region in the last 2 years. SPC is an advisory member of the Pacific Regional Council for Early Childhood and Care Education (PRC4ECCE), for which UNICEF is the Secretariat. UNICEF has been collaborating with SPC in the identification of ECCE indicators in the Pacific Education Development Framework (PEDF) and collaborate to carry out data collection in Pacific island countries related to ECCE. As a result of the collaboration ECCE initial data baseline is available and will be presented this week to the Pacific Heads of Education. The baseline data have enabled the identification of gaps in data across the region of early childhood such as only 6 countries have some form of ECCE data collected within their EMIS and only 7 countries track the number of teachers meeting minimum qualification for ECCE.


Furthermore, UNICEF has also been working with SPC to strengthen the EMIS system in Tuvalu including the development of Outcomes Based Assessment and Reporting (OBAR) software, new Tuvalu Strategy for Monitoring and Improving Leadership Effectiveness (SMILE) software and Tuvalu EMIS. SPC works closely with UNICEF in the capacity building, implementation and monitoring of the leadership standards and teacher competency standards as well as literacy and numeracy improvement in primary schools under the Achieving Education for All in Tuvalu Programme.

Disaster Risk Management: In 2014, UNICEF worked in collaboration with the SOPAC division of SPC as well as other partners to support the Kiribati government in developing a Joint Implementation Plan for Climate change and Disaster risk management that is inclusive of children, young people and other vulnerable groups. UNICEF has been an

¹ Partners include: Department of Foreign Affairs and Trade, Government of Australia, UNICEF, Governments of Nauru, Palau, Fiji, Kiribati, Samoa, Solomon Islands, Federated States of Micronesia, Republic of Marshall Islands, Vanuatu, Tonga, Tuvalu

active contributor to ongoing consultations led by SPC and other partners on the development of the new Pacific Regional Strategy on Climate Change and DRM.

Looking ahead, the new Sustainable Development Goals that were just approved by all member States at the September United National General Assembly will guide our engagement together. SPC has been an important consensus builder among Pacific Statistics Departments and Governments on the Goals, the indicators and the targets. It is clear from the above summary that our partnership continued to be important for Pacific countries and children in the last twelve months. We look forward to many more years of fruitful collaboration, working in synergy to maximize our respective strengths for the common goal of respecting, protecting and fulfilling the rights of all Pacific children.



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knowledge and innovation*

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